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OMNIBUS TRADE AND COMPETITIVENESS LEGISLATION

Comparison of House and Senate Provisions

OCTOBER 6, 1987

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TABLE OF CONTENTS

	Page
Subconference #1 -- Trade and Tariff Laws; Trade Agreements	1
Subconference #2 -- Trade and Foreign Policy	224
Subconference #3 -- Export Controls; Export Promotion	236
Subconference #4 -- Export Enhancement	263
Subconference #5 -- International Financial Policy	277
Subconference #6 -- Agricultural Trade	338
Subconference #7 -- Investment; Competitiveness; Foreign Corrupt Practices Act	388
Subconference #8 -- Education and Labor	404
Subconference #9 -- Technology	407
Subconference #10 -- Government Procurement	420
Subconference #11 -- Patent Law	433
Subconference #12 -- Small Business	443
Subconference #13 -- Council on Competitiveness	464
Subconference #14 -- Ocean and Air Transportation	478
Subconference #15 -- Safe Food Imports	485
Subconference #16 -- Federal Budget Deficit	489
Subconference #17 -- Trade Data and Studies; Sematech	495

SUBCONFERENCE #1
TRADE AND TARIFF LAWS; TRADE AGREEMENTS

TABLE OF CONTENTS

		Page
1.	Sections of House Bill and Senate Amendment included in Subconference #1	2
2.	Conferees of the House and Senate and Sections for which they are appointed	3
3.	Comparison of House and Senate Provisions with Present Law	8
	A. National Trade Policy	8
	B. Trade Agreement Negotiating Authority	15
	C. Enforcement of U.S. Rights Under Trade Agreements and Response to Foreign Trade Practices	40
	D. Import Relief Under the Escape Clause	71
	E. Trade Adjustment Assistance	89
	F. Market Disruption	99
	G. Amendments to the Countervailing and Antidumping Laws	101
	H. Action to Improve International Intellectual Property Protection	138
	I. Organization and Functions of Trade Agencies	142
	J. Miscellaneous Trade Law Provisions	149
	K. International Trade in Telecommunications Products and Services	165
	L. Authorization of Appropriations for Trade Agencies	181
	M. Tariff and Customs Provisions	183
	N. Most Favored Nation Treatment to Products of Romania	222

SECTIONS OF HOUSE BILL AND SENATE AMENDMENT INCLUDED IN SUBCONFERENCE #1 -- TRADE AND TARIFF LAWS; TRADE AGREEMENTS

House bill

Title I (Secs. 101-199, except Sec. 186)
Title II (Secs. 201-212)
Title VI, Subtitle G (Secs. 691, 692)
Sec. 704
Title VIII (Secs. 800-894)
Secs. 906, 908 and 909
Title XV (Sec. 1501)

Senate amendment

Title I (secs. 101-111)
Title II (Secs. 201-221)
Title III (Secs. 301-341)
Sec. 401
Title V (Sec. 501)
Title VI (Secs. 601-605)
Title VII (Secs. 701-703)
Title VIII (Secs. 801-899D)
Title IX (Secs. 901-981, except Secs. 963-967; 968-972, 974, 975 and 977)

CONFEREES OF THE HOUSE AND SENATE AND SECTIONS FOR WHICH THEY ARE APPOINTED

Sections	House Conferees		Senate Conferees	
Sections 101-105, 111-119, 121-128, 131, 135, 141-148, 151-169, 171-173, 181-183, 185, 187, 188, 191-199, 691, 692, 704, Title VIII (Sections 800-816, 821-894), 906, 909, Title XV (Section 1501) of House bill; Title I (Sections 101-111), Title II (Sections 201, 202, 211-221), Title III (Sections 301-312, 321-341), 401, Title V (Section 501), Title VI (Sections 601-605), Title VIII (Sections 801, 803-813, 821-899D), 921-939, 941-962, 973, 976, 978-981 of Senate amendment	Ways and Means (9-5)		Finance (5-4)	
	Rostenkowski	Duncan	Bentsen	Packwood
	Gibbons	Archer	Matsunaga	Chafee
	Jenkins	Vander Jagt	Moynihan	Roth
	Downey	Crane	Baucus	Danforth
	Pease	Frenzel	Boren	
	Russo			
	Gephardt			
	Guarini			
	Matsui			
Sections 104, 121,* 124,* 181, 183, 198, 906 of House bill; Sections 201 (insofar as it would add new sections 204(d)(1)(B)(ii) and 204(d)(2)(B) through (E) to the Trade Act of 1974), 306,* 307,* of Senate amendment	Energy and Commerce (6-4)			
	Dingell	Lent		
	Florio	Moorhead		
	Markey	Rinaldo (except sec. 198 of House bill)		
	Sharp			
	Swift	Dannemeyer		
	Bryant	Coats (except sec. 198 of House bill)		

Sections	House Conferees		Senate Conferees
Section 126 (insofar as it would add new sections 311(g)(1) and (2) to the Trade Act of 1974) of House bill; Section 108 of Senate amendment	Banking, Finance, and Urban Affairs (6-4)		
	St Germain	Wylie	
	Fauntroy	Leach	
	Garcia	Bereuter	
	LaFalce	McMillan	
	Schumer		
	Morrison		
Section 114(d), (e) of House bill; Sections 104, 107, 110 of Senate amendment	Rules (5-2)		
	Pepper	Lott	
	Moakley	Taylor	
	Derrick		
	Hall		
	Wheat		
Section 166, Sections 171-173 of House bill; Sections 201 (insofar as it would add new section 203(f) to the Trade Act of 1974), 401 of Senate amendment	Judiciary (6-4)		
	Rodino	Fish	
	Kastenmeier	Moorhead	
	Edwards	Hyde	
	Hughes	Lungren	
	Schroeder		
	Crockett		
Sections 601, 602, 604, 605 of Senate amendment	Agriculture (6-4)		Section 602 of House bill only:
	de la Garza	Roberts	Finance (5-4)
	Brown	Morrison	
	Panetta	Gunderson	Bentsen — Packwood
	Glickman	Grandy	Matsunaga — Chafee
	Stenholm		Moynihan — Roth
	Volkmer		Baucus — Danforth
			Boren

Sections	House Conferees		Senate Conferees	
			Agriculture (3-2)	
			Leahy	Lugar
			Melcher	Helms
			Pryor	
Sections 872, 873 of House bill	Judiciary (6-4)		Finance (5-4)	
	Rodino	McCollum	Bentsen	Packwood
	Kastenmeier	Lungren	Matsunaga	Chafee
	Edwards	Fish	Moynihan	Roth
	Hughes	Moorhead	Baucus	Danforth
	Schroeder		Boren	
	Crockett			
Section 908 of House bill; Sections 308, 310 of Senate amendment	Ways and Means (6-3)		Finance (5-4)	
	Rostenkowski	Crane	Bentsen	Packwood
	Gibbons	Frenzel	Matsunaga	Chafee
	Jenkins	Schulze	Moynihan	Roth
	Downey		Baucus	Danforth
	Pease		Boren	
	Russo			
Section 908 of House bill; Section 310 of Senate amendment	Energy and Commerce (6-4)			
	Dingell	Lent		
	Florio	Rinaldo		
	Markey	Dannemeyer		
	Sharp	Ritter		
	Swift			
	Bryant			
Section 308 of Senate amendment	Foreign Affairs (3-2)			
	Bonker	Roth		
	Mica	Bereuter		
	Gejdenson			

Sections	House Conferees		Senate Conferees	
	Agriculture (3-2)			
	de la Garza	Roberts		
	Brown	Morrison		
	Glickman			
Sections 311 and 958 of Senate amendment	Foreign Affairs (6-4)		Finance (5-4)	
	Fascell	Broomfield	Bentsen	Packwood
	Bonker	Roth	Matsunaga	Chafee
	Mica	Bereuter	Moynihan	Roth
	Berman	Miller (WA)	Baucus	Danforth
	Solarz		Boren	
	Bilbray			
Section 959 of Senate amendment	Banking, Finance, and Urban Affairs (6-4)			
	St Germain	Wylie		
	Fauntroy	Leach		
	Oakar	Bereuter		
	Garcia	McMillan		
	LaFalce			
	Schumer			
Title II (Sections 201-212) of House bill; Sections 901-913 of Senate amendment	Ways and Means (9-5)		Finance (5-4)	
	Rostenkowski	Duncan	Bentsen	Packwood
	Gibbons	Archer	Matsunaga	Chafee
	Jenkins	Vander Jagt	Moynihan	Roth
	Downey	Crane	Baucus	Danforth
	Pease	Frenzel	Boren	
	Russo			
	Gephardt			
	Guarini			
	Matsui			

Sections	House Conferees	Senate Conferees
	Energy and Commerce (9-5)	
	Dingell	Lent
	Florio	Moorhead
	Markey	Rinaldo
	Sharp	Dannemeyer
	Swift	Ritter
	Bryant	
	Synar	
	Eckart	
	Slattery	

COMPARISON OF HOUSE AND SENATE PROVISIONS WITH PRESENT LAW

NATIONAL TRADE POLICY; ADVICE AND CONSULTATIONS

Item	Present Law	House Bill	Senate Amendment
1. National trade policy (sec. 101 of House bill; sec. 101 of Senate amendment)	No provision.	Sets forth findings, U.S. national policy, and requirements for certain Presidential and Congressional actions. Findings. General findings about the causes and negative implications of the fundamental disequilibrium in the U.S. trade and current accounts and net external debt; and the importance of pursuing policies to ensure future stability in U.S. external trade and guarantee the continued vitality of the U.S. technological, industrial, and agricultural base. National policy. Establishes as U.S. policy: (1) to reduce substantially U.S. trade and current account deficits; (2) to seek by 1992 more consistent equilibrium in such accounts; and (3) to maintain reasonably stable exchange rates through measures to ensure that the dollar remains at a level which maintains the competitiveness of U.S. exports and prevents disruptive import surges. Presidential action. Requires the President to use all appropriate powers to achieve the national trade policy, including fiscal, monetary, and trade policies and better management of Third World debt.	Sets forth the short title, findings, and purposes of titles I through IX. Short title. Omnibus Trade Act of 1987. Findings. General findings about the United States as a debtor nation, the importance but volatility of the global economy, the weakness of the world trading system, the developing country debt burden, and the importance of negotiating trade agreements and related agreements on investment, finance, intellectual property, and services. Purposes. Establishes as the Act's purposes to: (1) authorize negotiation of reciprocal trade agreements; (2) strengthen U.S. trade laws; (3) improve management of U.S. trade strategy; and (4) through these actions, improve the world's standard of living. No provision.

Item	Present Law	House Bill	Senate Amendment
		Congressional action. Requires the Congress, in developing legislation, to give the highest priority to achieving the national policy and to Presidential recommendations for achieving that policy.	No provision.
2. Annual trade policy agenda (sec. 102 of House bill)	No provision.	Requires the USTR by March 1 of each year to submit a statement to the Congress of-- (1) U.S. trade policy objectives and priorities for the year and the reasons therefor; (2) actions proposed or anticipated during the year to achieve these objectives and priorities, including actions authorized under the trade laws and negotiations with foreign countries; (3) any proposed legislation necessary or appropriate to achieve any objectives or priorities; and (4) the progress made in achieving trade policy objectives and priorities during the previous year.	No provision. Section 104 requires the President to submit to Congress after Jan. 3, 1988, a statement of U.S. trade policy as a precondition to extension of "fast track" trade agreement implementing authority (see item 1.a(i) under trade agreement negotiating authority).
		USTR must consult with appropriate private sector advisers and the appropriate Congressional committees before submitting the statement and take into account annual sectoral competitiveness studies prepared by the ITC. USTR and other appropriate officials must also consult periodically with the appropriate Congressional committees on the status and results of actions undertaken, and on any developments which may require or result in changes in the agenda.	No specific counterpart to House bill provision, but the USTR is required to consult with Congressional Committees on trade policy and priorities (see item 4).

Item	Present Law	House Bill	Senate Amendment
3. Private and public sector advice			
a. Advisory committee functions (sec. 103 of House bill)	The President must seek information and advice from representatives of the private sector and non-Federal governmental sector on negotiating objectives and bargaining positions before entering into a trade agreement, on the operation of any trade agreement, and on other matters concerning administration of U.S. trade policy.	Expands the committees' role to include information and advice on the development and implementation of overall U.S. trade policy, and on priorities for actions to implement such policy. Requires that information and advice on negotiating objectives be sought and considered, to the maximum extent feasible, before negotiations begin. Adds that consultations on U.S. overall current trade policy shall include, but are not limited to, the following elements-- (1) the principal multilateral and bilateral trade negotiating objectives and the progress being made toward their achievement; (2) the implementation, operation, and effectiveness of recently concluded multilateral and bilateral trade agreements and resolution of trade disputes; (3) the actions taken under U.S. trade laws and the effectiveness of such actions in achieving trade policy objectives; and (4) important developments in other areas of trade. The President must take such advice into account in determining trade negotiating priorities and positions.	No provision.

Item	Present Law	House Bill	Senate Amendment
b. Advisory committee structure (sec. 103 of House bill; sec. 106 of Senate amendment)	The committees include a 45-member Advisory Committee for Trade Negotiations (ACTN), appointed by the President to provide overall policy advice. It includes representatives of government, labor, industry, agriculture, small business, service industries, retailers, consumers, and the general public, to meet at the call of USTR.	Renames ACTN the Advisory Committee for Trade Policy and Negotiations, nominated by the USTR and appointed by the President, to represent non-Federal governments, labor, industry, agriculture, small business, services, retailers and consumer interests, and to be broadly representative of key sectors and groups of the economy, particularly those affected by trade. Appointments must reflect a balance between the political parties. The Committee shall meet at least quarterly and at the call of USTR or two-thirds of its members.	Requires that a preedominant number of the members of any advisory committee, including the ACTN, not belong to the same political party.
	In addition, there are general policy advisory committees for industry, labor, agriculture, and services; sectoral or functional advisory committees representative of all industry, labor, agricultural, or service interests; and policy advisory committees representing non-Federal governmental interests.	Expands the general policy advisory committees to include investment and defense. Explicitly authorizes the formation of special task forces, plenary meetings of chairmen, or other working groups.	No provision.
c. Reports (sec. 103 of House bill)	Each committee must meet at the conclusion of each trade agreement negotiation to provide the President, Congress, and the USTR a report, including an advisory opinion as to whether and to what extent the agreement promotes U.S. economic interests and provides for equity and reciprocity within sector or functional areas involved.	Requires each committee also to report whether and to what extent the trade agreement achieves U.S. overall and principal negotiating objectives. Requires each report on a nontariff or bilateral trade agreement to be provided no later than the date the draft implementing bill is submitted to the Congress.	No provision. Section 103 requires the ACTN to submit to the Congress a mid-term report (by Jan. 3, 1991) on progress being made in multilateral and bilateral negotiations (see item 1.d(iv) under trade agreement negotiating authority).
d. Treatment of advice (sec. 103 of House bill)	USTR and other appropriate agencies must consult with and obtain information and advice from the committees on a continuing and timely basis, including before and during negotiations. Members may be permitted to participate in international meetings to the extent the head of the	Committee members may also be designated as advisors to a negotiating delegation. USTR must inform the committees of significant departures from their advice or recommendations. During the course of consultations with Congress, advisory com-	No provision.

Item	Present Law	House Bill	Senate Amendment
	U.S. delegation deems appropriate, but may not speak or negotiate for the U.S. The USTR is not bound by committee advice or recommendations but must inform the committees of failures to accept it; the President must include in the annual trade report to Congress a report by USTR on consultations and reasons for not accepting advice or recommendations.	mittee information and advice shall be made available to Congressional advisors.	
e. Confidential information (sec. 103 of House bill)	Trade secrets and confidential information submitted by advisers, or other information and confidential advice submitted by the private sector shall not be disclosed to any person other than to U.S. Government officials designated by the USTR and members and staff of the Ways and Means and Finance Committees accredited as official advisers or designated by the Committee chairman. Confidential information submitted by government officials to the advisers shall not be disclosed other than in accordance with rules issued by USTR and other appropriate agencies.	Trade secrets and confidential information submitted by advisers, or other information and confidential advice submitted by the private sector, may be disclosed upon request to U.S. Government officials designated by USTR, members and staff of the Ways and Means and Finance Committees accredited as official advisers or designated by the Committee chairman, and members and staff of any other House or Senate committee designated as advisers or by the Committee chairman if the information is relevant to trade policy or negotiations within their legislative jurisdiction. Confidential information submitted by government officials to the advisers may be disclosed in accordance with rules issued by the USTR and other appropriate agencies. Nothing in these provisions or rules shall be construed to affect the ability of the Congress, any Congressional committee, or the Comptroller General to obtain trade secrets and commercial or financial information or any information submitted, in accordance with Federal statutes and the rules of the House and Senate.	No provision.

77-750 0 - 87 - 2

Item	Present Law	House Bill	Senate Amendment
4. Congressional advisers and consultations (sec. 104 of House bill; secs. 602, 103 of Senate amendment)	Requires the Speaker of the House and the President pro tempore of the Senate, at the beginning of each session of Congress, each to select five official Congressional advisors (not more than three from the same political party) from the Committee on Ways and Means and from the Committee on Finance to be accredited by the President as official advisers to U.S. delegations to international negotiating sessions on trade agreements.	Authorizes the Speaker and the President pro tempore, after consultations with the chairmen and ranking minority members of the Ways and Means and Finance Committees, to designate additional Congressional advisors on specific policy matters or negotiations from any other committee that has jurisdiction over legislation likely to be affected. Not more than three members (not more than two from the same political party) may be selected from any other committee. All advisors shall be accredited by the USTR on behalf of the President, to provide advice on the development of trade policy and priorities for implementation as well as on trade negotiations.	Also requires the Speaker and President pro tempore each to appoint two members with expertise in agricultural trade matters, on recommendation of the Chairmen of the House and Senate Agriculture Committees, to serve as official advisers to U.S. delegations to international sessions relating to GATT multilateral agricultural trade agreements.
	The chairmen may designate additional members and staff of their committees to have access to the information.	The committee chairmen may designate additional members and staff to have access to information.	
	The USTR must keep each advisor informed of U.S. objectives and the status of negotiations and of any changes which may be recommended in U.S. law or administration to carry out any trade agreement.	The USTR must keep each official adviser currently informed on matters affecting U.S. trade policy, as well as on negotiating objectives, the status of negotiations, and any changes in U.S. laws recommended to carry out trade agreements. The USTR shall consult with the Ways and Means and Finance Committees (when necessary in executive session) not less than quarterly on the development, implementation, and administration of overall U.S. trade policy, including, but not limited to-- (1) the principal multilateral and bilateral negotiating objectives and the progress being made toward their achievement; (2) the implementation, administration, and effectiveness of recently	Also requires the USTR to keep the additional agricultural trade advisers informed of agricultural trade objectives, the status of negotiations, and any changes in U.S. law or administration to carry out agricultural trade agreements. Requires the USTR to consult with the Ways and Means and Finance Committees and with any other committees of jurisdiction on a continuing basis concerning negotiations, progress or obstacles in achieving objectives, and on all matters concerning U.S. trade policy and priorities.

Item	Present Law	House Bill	Senate Amendment
		concluded multilateral and bilateral trade agreements and resolution of trade disputes; (3) actions taken, and proposed to be taken, under U.S. laws and the effectiveness, or anticipated effectiveness, of such actions in achieving trade policy objectives; and (4) important developments and issues in other areas of trade policy.	
5. Transmission of agreements to Congress (sec. 104 of House bill)	Requires the President, if he has not previously done so, to transmit any trade agreement to the Congress with a statement of his reasons for entering into it.	Expands the statement to include (1) a description of the consultations on the trade agreement between the USTR and the advisory committees and the reasons if any advice or recommendations were not accepted; and (2) an explanation of how the agreement will enhance U.S. international trade competitiveness, expand export opportunities, establish equitable trade patterns, and further overall U.S. trade policy.	No provision.
6. Trade competitiveness impact statements (sec. 105 of House bill)	No provision.	Requires the President, at least 60 days before an executive trade agreement takes effect that may have a significant impact on the ability of domestic industries to compete, to submit to Ways and Means and Finance and other appropriate committees of Congress a statement describing the likely short and long-term impact on U.S. imports and exports, balance-of-payments, and ability of industries to compete. The President may publish and submit a statement to the committees waiving the requirement if necessary to serve the national interest, to deal with an emergency, to comply with statutory deadlines, or to take action required by law.	No provision.

Item	Present Law	House Bill	Senate Amendment
1. General trade agreement authorities a. Multilateral trade agreement negotiating authority (secs. 112, 113 of House bill; secs. 103, 104 of Senate amendment)			
(i) Type and period of authority	Distinguishes between authority to negotiate trade agreements on tariffs and authority to negotiate and enter into trade agreements on all other subjects (non-tariff agreements).	Maintains the distinction between multilateral tariff and non-tariff agreements.	Does not distinguish between authority for tariff and non-tariff agreements.
	Non-tariff barrier agreements. The President may enter into trade agreements under two trade agreement authorities in effect until Jan. 3, 1988, for implementation under the "fast track" Congressional approval procedure: a. Barriers to and other distortions of trade (section 102). Whenever the President determines that any barriers to (or other distortions of) international trade of any foreign country or the United States unduly burden and restrict the foreign trade of the United States or adversely affect the U.S. economy, or that the imposition of such barriers is likely	Non-tariff barrier agreement authority and "fast track" implementation. Authorizes the President to enter into trade agreements with foreign countries providing for the harmonization, reduction, or elimination of nontariff barriers or other distortions, for implementation under the "fast track" approval procedure if the agreement is entered into on or before Jan. 3, 1991.	Tariff and non-tariff agreement authority. Authorizes the President to enter into multilateral trade agreements with foreign countries providing for a reduction or elimination of any barriers to or distortions of trade (tariff and non-tariff) through Jan. 3, 1994. "Fast track" implementation. Authorizes agreement implementation under "fast track" approval procedure beginning as soon after Jan. 3, 1988, as the Administration submits a Statement of U.S. Trade Policy, through Jan. 3, 1992. The Statement must include, but is not limited to, a description of U.S. policies with

Item	Present Law	House Bill	Senate Amendment
	to result in such a burden, restriction, or effect, then he may enter into trade agreements providing for the harmonization, reduction, or elimination of such barriers (or other distortions) or providing for the prohibition of or limitations on the imposition of such barriers. b. GATT revision (section 121). The President shall to the extent feasible enter into agreements with foreign countries to establish GATT reform principles listed in the objectives of the law.	Extension of nontariff "fast track" implementation possible. The nontariff "fast track" approval procedure is extended for agreements entered into through Jan. 3, 1993, if, by July 15, 1990, (1) USTR consults with, and submits a report to, the Committees on Ways and Means and Finance requesting a 2-year extension, describing the progress that has been made to achieve U.S. objectives that justifies continuation of the negotiations, and stating the reasons an extension is needed to complete the Uruguay Round or other trade negotiations; and (2) neither the Ways and Means nor Finance Committee disapproves the extension before Jan. 4, 1991.	respect to domestic industries affected by imports and domestic industries that have a substantial potential for exporting. Extension of "fast track" implementation possible. The "fast track" approval procedure is continued through Jan. 3, 1994, if neither the House nor the Senate passes a resolution of disapproval under "fast track" procedure (automatic committee discharge does not apply) between Jan. 4 - Jul. 1, 1991, introduced by any member and reported by either the Finance or Ways and Means Committees before May 15, 1991, because sufficient tangible progress has not been made in trade negotiations. (See consultation and mid-term reporting requirements under item 2.b. below.)
		No provision.	"Reverse fast track." "Fast track" approval procedure for both tariff and nontariff agreements is terminated if both the Finance and Ways and Means Committees report, and both the House and Senate separately pass under the "fast track" procedure (automatic committee discharge does not apply), resolutions of disapproval within any 60 legislative day period because the President failed or refused to consult with Congress on trade policy (see item 2. below).
	Tariff agreements. Since 1934, Congress has periodically delegated authority to the President to enter into tariff agreements and to proclaim changes in U.S. rates of duty to carry out such agreements, subject to certain limits. Such authority under the Trade Act of 1974 expired in 1980.	Tariff agreements. Reestablishes separate Presidential authority to enter into multilateral tariff agreements until Jan. 3, 1993, and to proclaim changes in U.S. rates of duty required or appropriate to carry out such agreements, subject to certain limits.	No separate authority to enter into or to proclaim changes in U.S. rates of duty to implement multilateral tariff agreements.

Item	Present Law	House Bill	Senate Amendment
	Currently, if the President enters into an executive agreement to reduce U.S. rates of duty, he can only implement the change in the U.S. rate through a separate enactment from Congress (e.g., reduction of semiconductor duties in 1984). Currently, no law or rule of Congress provides any special procedures for Congressional consideration of tariff agreements except for bilateral trade agreements (see item 1.b. below).		
(ii) Limits on tariff authority (sec. 112 of House bill; secs. 103, 106 of Senate amendment)	Tariff agreement authority in effect from 1975 to 1980 under the Trade Act of 1974 was subject to the following limitations: -- No reduction in U.S. duties by more than 60 percent (to 40 percent of the rates in effect on Jan. 1, 1975), except that rates 5 percent ad valorem or below were not subject to the limitation. -- No increase in U.S. duties above the higher of 50 percent above the "column 2" (non MFN) rate of duty or 20 percent ad valorem above the rate as of Jan. 1, 1975. -- "Staging" limitations: Duties could not be reduced more than 3 percent ad valorem or one-tenth of the total reduction per year, unless the total reduction did not exceed 10 percent; reductions could not be phased in over more than a 10-year period. -- Rounding authority: Annual reductions could exceed the limits by the lesser of the difference between the limit and the next lower whole number or one-half of one percent ad valorem, in order to simplify the computation.	Tariff agreement authority is subject to the following limitations: -- Reductions of existing U.S. duties cannot exceed 60 percent of existing rates if either the ITC or USTR finds a greater reduction on a particular article would have a probable significant adverse economic effect on the domestic industry producing that article. Rates of duty on all other articles may be reduced to zero. No limit on duty increases. -- Reductions on significantly import-sensitive articles may not be phased in faster than over a 10-year period; reductions on other import-sensitive articles must be phased in over a period up to 10 years. -- Rounding authority identical to Trade Act of 1974.	Trade agreement authority limits tariff reductions on all articles to a maximum of 50 percent of existing duty rates, except that rates already 5 percent ad valorem or below may be reduced to zero. The President shall take into account ITC advice identifying sensitive or potentially import-sensitive products, including whether any tariff modification may injure the domestic industry producing like or similar articles.

Item	Present Law	House Bill	Senate Amendment
b. Bilateral trade agreement negotiating authority (sec. 113 of House bill; secs. 103, 947 of Senate amendment)	Bilateral tariff and nontariff trade agreements may be entered into and implemented under the "fast track" Congressional approval procedure until Jan. 3, 1988, subject to pre-negotiation requirements: -- Another country requests the negotiation of a bilateral agreement; -- The President notifies the Finance and Ways and Means Committees of the negotiations and consults with those Committees regarding the negotiation of the agreement; and -- Neither the Finance nor the Ways and Means Committee disapproves within 60 legislative days prior to the 90-day advance notice required of entry into an agreement.	Agreement authority and "fast track" implementation. Extends existing authority of the President to negotiate and enter into bilateral tariff and nontariff agreements under "fast track" implementation procedure for 5 years from Jan. 3, 1988, to Jan. 3, 1993, except for negotiations underway as of Jan. 1, 1987 (Canada).	Agreement authority. Extends existing authority of the President to negotiate and enter into bilateral trade agreements (tariff and nontariff) for 6 years from Jan. 3, 1988, to Jan. 3, 1994. Authority would apply to Canada only if the pre-negotiation conditions are met again after enactment. "Fast track" implementation. Authorizes agreement approval under "fast track" implementation procedure beginning as soon after Jan. 3, 1988, as Administration submits Statement of U.S. Trade Policy and subject to the same possible disapproval process in 1991 and "reverse fast track" procedure as apply to multilateral trade agreement authority (see 1.a. above).
	No trade benefit shall be extended to any country by reason of the extension of any trade benefit to another country under a bilateral agreement providing for reduction or elimination of any U.S. duty.	Includes nontariff, as well as tariff, benefits in the ban on extension to third countries.	Identical provision to House bill.
		No provision or amendment made by this Act shall be applied to any country with which the United States has a bilateral free trade area agreement that entered into force before Jan. 1, 1987 (Israel) if there is an inconsistency between such provisions or amendment and the agreement.	Identical provision to House bill.
		USTR must review, within a year after enactment, U.S. bilateral trade relationships and identify foreign countries that have the best potential for bilateral free	No provision.

Item	Present Law	House Bill	Senate Amendment
		trade areas. USTR must consult with the Committees on Ways and Means and Finance on the review results.	
c. Multilateral/ bilateral agreements (sec. 111 of House bill)	No provision.	States U.S. policy to use the Uruguay Round to enter into multilateral agreements that achieve, on a reciprocal and mutually advantageous basis, the purposes and objectives of Title I, particularly (1) increasing U.S. export market opportunities, (2) achieving fairer terms and conditions of competition, (3) strengthening international dispute settlement, (4) ensuring fuller responsibility by all countries for a fair international trading system, and (5) improving the structure and role of the GATT. These objectives are to be achieved, to the maximum extent feasible and appropriate, through multilateral trade agreements (negotiated with both developed and developing countries); except that the President is not precluded from (1) negotiating bilateral and other types of agreements if they would be more effective or appropriate, or multilateral agreements are not feasible; or (2) seeking agreements outside or supplemental to the Uruguay Round or the GATT if results are unduly delayed or U.S. objectives can be obtained more effectively.	No provision.
d. Restrictions on entering into trade agreements			
(i) State trading enterprises (sec. 103 of Senate amendment)	No provision.	No provision.	Before entering into a multilateral or bilateral trade agreement, the President must determine whether state trading enterprises account for a significant

Item	Present Law	House Bill	Senate Amendment
			share of the exports of a foreign country or of its goods that are subject to import competition and whether those enterprises unduly burden and restrict, or adversely affect, the foreign trade of the United States or the U.S. economy or are likely to result in such a burden, restriction, or effect. If both determinations are affirmative, then the President may enter into a trade agreement with such country only if the agreement provides that those enterprises' purchases (which are not for the use of the foreign government) and their sales in international trade will be made in accordance with commercial considerations and those enterprises will afford U.S. firms adequate opportunity to compete for participation in such purchases and sales.
(ii) Other requirements (secs. 112, 113 of House bill; sec. 103 of Senate amendment)	The President is authorized to negotiate trade agreements with foreign countries that provide on the basis of mutuality for harmonization, reduction, or elimination of trade barriers.	The President may enter into multilateral or bilateral agreements that will promote the purposes, policies, and objectives of Title I of the Act.	A multilateral or bilateral trade agreement may be entered into only if it meets the following requirements: --It meets applicable negotiating objectives in section 105; --It provides for the reciprocal exchange of obligations that are likely to be no less advantageous to the United States than to the other signatories; --It provides a reasonable likelihood that the United States can enforce the obligations of the agreement notwithstanding differences between the culture, legal system, and commercial practices of the United States and these aspects of any other foreign signatory country; and

Item	Present Law	House Bill	Senate Amendment
			—Insofar as is practicable, it complements and reinforces existing agreements with foreign nonsignatory countries and existing U.S. agreements on related economic subjects.
e. Prerequisites to entering into trade agreements			
(i) Consultations with Congressional committees (secs. 104, 113 of House bill; sec. 103 of Senate amendment)	Before entering into any trade agreement, the President must consult with committees of jurisdiction on subject matters that would be affected and all matters relating to implementation.	Adds a requirement that the consultations also include the nature of the agreement and how and to what extent it achieves U.S. purposes, policies, and negotiating objectives.	No provision.
		Requires the USTR to consult not less than quarterly with the Ways and Means and Finance Committees and with other appropriate committees on the development, implementation, and administration of overall trade policy, including multilateral and bilateral negotiating objectives and the progress being made to achieve them.	Requires the USTR and the Advisory Committee on Trade Negotiations (ACTN) each separately to consult with the Ways and Means and Finance Committees and with other committees of jurisdiction on a continuing basis concerning (1) negotiations being conducted or being initiated; (2) progress in meeting negotiating objectives; (3) obstacles to achieving such objectives; and (4) all matters affecting, or arising in connection with, U.S. trade policy and priorities.
(ii) Mid-term reports (sec. 113 of House bill; sec. 103 of Senate amendment)	No provision.	As a pre-condition to extension of "fast track" nontariff barrier trade agreement authority beyond Jan. 3, 1991, the USTR must submit a report by July 15, 1990, to the Ways and Means and Finance Committees requesting a 2-year extension, describing the progress made to achieve U.S. negotiating objectives that justifies continuation of negotiations, and stating the reasons extended authority is needed to complete the Uruguay Round or other trade negotiations.	Requires the President and ACTN each to submit by Jan. 3, 1991, a progress report on multilateral and bilateral negotiations, including (1) a description of all agreements negotiated and the anticipated schedule for submission to Congress; (2) a statement certifying whether sufficient progress has been achieved to warrant continuation of nontariff negotiations; (3) a statement certifying whether progress has been made in tariff negotiations; (4) a description of any progress in achieving the negotiating objectives; and (5) a

Item	Present Law	House Bill	Senate Amendment
			description of objectives that are not likely to be addressed in agreements and the reasons, any new objectives that should be adopted, and any intended alternative options.
f. Agreement implementation			
(i) Submission to Congress (sec. 114 of House bill)	The President must give at least 90 calendar days advance notice to the Congress of his intention to enter into an agreement. After entering into the agreement, the President must submit a copy to the Congress, together with a draft implementing bill, a statement of any administrative actions proposed to implement the agreement, an explanation of how the bill and statement change or affect existing law, and a statement of reasons the agreement serves the interests of U.S. commerce and why the bill and proposed action are required and appropriate.	Adds a requirement that the President state that the agreement achieves applicable purposes, policies, and negotiating objectives, the reasons as to how and to what extent the agreement achieves them, and why and to what extent the agreement does not achieve other purposes, policies, and objectives. Adds a requirement that the President include, in his statement accompanying trade agreements, a description of his efforts to obtain international exchange rate equilibrium and any effect the agreement may have on increased international monetary stability.	No provision. No provision.
(ii) Conditional MFN (sec. 114 of House bill; sec. 104 of Senate amendment)	In order to ensure that a foreign country which benefits from a section 102 trade agreement is also subject to the obligations, the President may recommend to the Congress in the implementing bill and statement of administrative action that the benefits and obligations apply solely to the parties to the agreement, if such application is consistent with the terms of the agreement.	Requires the President to recommend that trade agreement benefits and obligations apply solely to parties to the agreement, if such treatment is appropriate and consistent with the terms of the agreement and U.S. international obligations.	Requires the President to recommend that trade agreement benefits and obligations apply solely to parties to the agreement, if such treatment is consistent with the agreement.

Item	Present Law	House Bill	Senate Amendment
g. Reciprocal nondiscriminatory treatment (sec. 106 of Senate amendment)	The President was required to determine within 5 years after enactment of the Trade Act of 1974 whether any major industrial country had failed to make concessions under trade agreements entered into under the authority of the 1974 Act that provided competitive opportunities for the commerce of the United States in each of those countries substantially equivalent to the competitive opportunities provided by trade agreement concessions made by the United States. If the President made such a determination, he was required to recommend to Congress, generally or by article, to restore equivalence of opportunities, any legislation implementing the agreement not apply to such country and legislation terminating or denying benefits under such agreements for the country concerned. Major industrial countries included Canada, the European Communities (EC) and its member countries, Japan, and any other country designated by the President.	No provision.	Reestablishes the 1974 Act provision, requiring such a determination by the President before Jan. 3, 1991, with respect to any major industrial country for trade agreements entered into under this Act.
2. Special trade agreement authorities			
a. Implementation of Harmonized System (sec. 113 of House bill; sec. 937 of Senate amendment)	No provision. Section 102 authorizes non-tariff agreements but is not applicable to agreements which involve comprehensive changes in U.S. tariffs.	Authorizes the use of the existing non-tariff agreement authority with "fast track" Congressional procedures for a subsequent bill to approve and implement the International Convention on the Harmonized Commodity Description and Coding System: 90 calendar day advance notice to Congress prior to entering into agreement, 45 legislative days for Committee and 15 legislative days for House/Senate consideration of implementing bill.	Makes Congressional findings that establishment of a uniform international tariff classification system will be of significant U.S. benefit and implementation of the Harmonized System on Jan. 1, 1988, is highly desirable and should be achieved by early Congressional approval of implementing legislation.

Item	Present Law	House Bill	Senate Amendment
			Provides a faster "fast track" Congressional implementing procedure for Harmonized System approval than for other trade agreements: the President must notify the Congress within 15 days after enactment of his intent to submit implementing legislation; submit the agreement and draft bill within 30 days after the notice and after consulting with the Ways and Means and Finance Committees; Committee and floor consideration are each limited to 10 legislative days.
b. Reciprocal duty reductions with Canada (sec. 117 of House bill)	No provision.	Authorizes the President to enter into tariff agreements with Canada for 5 years until Jan. 3, 1991, providing for the MFN reduction or elimination of duties on a specific list of certain tariff items and to proclaim such modifications, to the extent that tariff concessions of approximately equivalent value are granted by Canada in exchange.	No provision.
c. U.S.-EC citrus and pasta agreement (sec. 118 of House bill; sec. 946 of Senate amendment)	No provision.	Grants the President authority to proclaim specified reductions in rates of duty on a specified list of articles on an appropriate date to implement tariff reductions agreed to by the United States in the agreement with the EC on citrus and pasta concluded Feb. 24, 1987. The President is authorized to modify or terminate by proclamation any of the reductions at any time.	Enacts specified reductions in duties on a specified list of articles as of 15 days after date of enactment to implement tariff reductions agreed to by the United States in the agreement with the EC on citrus and pasta concluded Feb. 24, 1987. Also enacts new tariffs on imported pasta equal to the value of the EC subsidy (as calculated monthly by USDA) as of July 1, 1987, until USTR certifies to Congress that the EC has agreed to eliminate or fully offset the subsidy.

77-750 O - 87 - 3

Item	Present Law	House Bill	Senate Amendment
d. North American Trade Expansion Area (secs. 109, 110 of Senate amendment)	No provision. General multilateral and bilateral reciprocal trade agreement authorities apply to any country, subject to Congressional "fast track" implementation. Bilateral agreements may be negotiated only upon foreign authority request and if neither the Ways and Means or Finance Committees disapproves the negotiations.	No provision.	Requires the President to initiate negotiations to obtain trade agreements with Mexico, Caribbean Basin countries, and Canada to provide for the reduction and eventual elimination of tariffs and non-tariff barriers. Agreements may be bilateral or multilateral with all or any group of such countries and must be reciprocal and provide for mutual reduction of barriers. Agreements must be approved by Congress under the "fast track" implementing procedures.
e. Accession of state trading regimes (sec. 107 of Senate amendment)	No provision.	No provision.	Before any foreign country accedes to any multilateral trade agreement to which the United States is a party, the President shall determine (a) whether state trading enterprises account for a significant share of that country's exports or of the goods of that country that compete with imports, and (b) whether such enterprises unduly burden and restrict or adversely affect U.S. foreign trade or the U.S. economy or are likely to result in such a burden, restriction, or effect. If both determinations are affirmative, the President must reserve the U.S. right to withhold extension of any multilateral trade agreement to which that country accedes. The trade agreement shall not apply between the United States and that country until-- a. the country enters into an agreement with the United States providing that the state trading enterprises will (1) make purchases which are not for the use of the country and make sales in international trade in accordance with

Item	Present Law	House Bill	Senate Amendment
			commercial considerations, and (2) afford U.S. firms adequate opportunity in accordance with customary practice to compete for participation in such purchases or sales; or b. enactment of a bill approving extension of the agreement to the country. The "fast track" procedures shall apply to Congressional consideration of such a bill.
f. Compensation authority (sec. 116 of House bill; sec. 309 of Senate amendment)	The President may enter into trade agreements and proclaim new concessions as compensation only for import relief actions, in order to maintain the general level of reciprocal and mutally advantageous concessions. No duty reductions may exceed 30 percent of existing levels. The President must consider whether the country concerned has violated commitments of benefit to the U.S. and the violation has not been adequately offset.	Adds authority to enter into and proclaim compensation agreements for increases in or imposition of duties or other import restrictions under section 301, by legislation, or by tariff reclassification, if necessary or appropriate to meet U.S. international obligations. Compensation on any article is subject to the same duty reduction limitations under general tariff agreement authority.	Adds authority to enter into a compensation agreement for a section 301 action, subject to the duty reduction limits under present law, if the President determines it is necessary to meet U.S. international obligations.
g. Currency exchange rates (sec. 126 of House bill; sec. 108 of Senate amendment)	No provision.	See item 10.n. under Enforcement of U.S. Rights under Trade Agreements and Response to Certain Foreign Trade Practices.	Whenever during negotiations of trade agreements, the President determines that: (1) a foreign country that is party to the negotiations manipulates currency exchange rates and maintains investment barriers, discourages internal investment, or engages in a pattern of other acts, policies, or practices for the purpose of preventing effective balance of payments adjustments or gaining an unfair competitive advantage in trade; (2) the country's currency is substantially undervalued against the U.S. dollar; and

Item	Present Law	House Bill	Senate Amendment
			(3) the country has a material global current account surplus;
			the President must initiate bilateral currency negotiations with the country on an expedited basis.
h. Negotiations to eliminate wine trade barriers (sec. 119 of House bill; sec. 603 of Senate amendment)	Requires the President to direct the USTR to enter into consultations with designated major wine trading countries to reduce or eliminate barriers to U.S. wine exports. The President was required to submit a report on each country by Oct. 30, 1985, to the Finance and Ways and Means Committees describing the barriers, actions taken or not taken, and any action recommendations.	Requires the President to submit to the Committees within 13 months after enactment an update of each of the reports required under current law, providing a description of the trade barriers on which consultations have been held since the previous reports, the status of consultations, any actions taken or not taken to reduce or eliminate any barriers, and any recommendations.	Identical provision to House bill.
3. Application of Trade Act provisions (sec. 115 of House bill; sec. 106 of Senate amendment)	The Trade Act of 1974 contains various provisions pertaining to tariff and non-tariff trade agreement authorities: -- Section 125 authorizes the termination or withdrawal of trade agreement benefits or obligations under certain conditions. -- Section 126(a) requires nondiscriminatory (MFN) application of import restrictions or duty-free treatment under trade agreements, except as otherwise provided by law. -- Section 127 prohibits the reduction or elimination of import restrictions on any article that would threaten to impair the national security, and requires the reservation of articles from negotiations while they are subject to import relief or national security actions.	Applies sections 125, 126(a), and 127 to any trade agreement entered into or any proclamation or Executive order issued under the trade agreement authorities of this Act.	Similar cross-reference provision to House bill.

Item	Present Law	House Bill	Senate Amendment
	Sections 131-134 of the Trade Act of 1974 set forth procedural requirements that must be met prior to entering into trade agreements:	Applies sections 131, 132, 133, and 134 prenegotiation procedures to all trade agreements proposed under this Act.	Similar cross-reference provision to House bill.
	-- Section 131 requires the ITC to advise the President as to probable economic effects of possible modifications of any tariff under a proposed trade agreement on domestic industries producing like or directly competitive articles and on consumers; the ITC must also make investigations and reports requested by the President regarding possible agreements on nontariff barriers.	Expands the scope of ITC advice to include the probable economic effects of any trade barrier modification on any domestic interest that might be affected, including services, intellectual property, and investment. Expands the scope of ITC investigations and reports that the President may request to assist him in developing trade policies and priorities, including priorities for actions to improve opportunities in foreign markets, and to determine the impact of possible modifications in U.S. trade barriers on the competitiveness of domestic industries or sectors.	Requires the ITC in its advice or reports to identify any article that is sensitive or potentially sensitive to imports and to include a statement of whether any duty reduction, elimination, or modification under consideration may injure the domestic industry.
	-- Section 132 requires information and advice from Executive branch agencies prior to entry into trade agreements.	Requires the President to seek the agency advice through the existing interagency structure chaired by the USTR prior to entering into a trade agreement.	No provision.
	-- Section 133 requires the President to hold public hearings on any proposed trade agreement.	Expands the scope of public hearings to any matter relevant to a proposed trade agreement and to trade policy development and priorities, when appropriate.	No provision.
	-- Section 134 requires that the President receive a summary of the hearings and the ITC advice prior to making any trade negotiating offers to foreign countries on U.S. duties, import restrictions, or other trade barriers.	Expands the scope of the summary requirement to include information and advice about services, foreign direct investment, and intellectual property.	Requires the President, in determining whether to make negotiating offers and in determining the nature and scope of offers, to take into account any advice or information or reports by the ITC, any advisory committee, or any public hearings with respect to any article or domestic industry that is sensitive or potentially sensitive to imports.

Item	Present Law	House Bill	Senate Amendment
4. Negotiating objectives (sec. 111 of House bill; secs. 105, 601 of Senate amendment)			
a. Overall objectives	To obtain: a. More open and equitable market access; and b. The harmonization, reduction, or elimination of practices that distort trade or commerce. Harmonization, reduction, or elimination of agricultural barriers shall be undertaken to the maximum extent feasible in conjunction with the harmonization, reduction, or elimination of industrial barriers.	To obtain: a. More open, equitable, and reciprocal market access; b. The harmonization, reduction, or elimination of policies or measures which impede or distort international commerce; and c. A more effective system of international trading disciplines and procedures.	To obtain: a. More open, fair, and equitable market access; b. The reduction or elimination of barriers and other trade-distorting practices; c. An appropriate overall balance between benefits and concessions within the agricultural, manufacturing, mining, and services sectors; and d. Improved management of the new global economy.
b. Principal objectives			
(i) Agriculture	No provision.	To achieve on an expedited basis to the maximum extent feasible, more open and fair conditions of trade in agricultural commodities by: -- developing, strengthening, and clarifying rules to discipline restrictive or trade-distorting import and export practices; -- eliminating and reducing substantially specific constraints to fair trade	The revision of GATT with regard to agricultural trade: -- to increase U.S. agricultural exports by eliminating transparent and non-transparent barriers; -- to clarify GATT rules for agricultural trade, which have been the source of considerable confusion, disagreement, and conflict among nations;

Item	Present Law	House Bill	Senate Amendment
		and more open market access, such as tariffs, quotas, subsidies, and other non-tariff practices, including unjustified phytosanitary and sanitary restrictions; and -- seeking agreements by which major agricultural exporting nations agree to pursue policies to reduce "excessive" production of commodities during periods of oversupply, with due regard for the fact that the U.S. already undertakes such policies, and without recourse to arbitrary schemes to divide market shares among major exporting countries.	-- to make the GATT a useful tool for a free and more open world agricultural trading system by resolving questions pertaining to export subsidies, market pricing, and market access; -- to seek to prevent the harmful external effects of the EC's agricultural policies; -- to seek the elimination of barriers to agricultural trade (including high value-added commodities) in Japan. Makes Congressional findings on the inadequacy of GATT rules on agriculture and the need for rapid success in the Uruguay Round. States it is U.S. policy (1) to reduce agriculture price support programs and barriers to trade in an agreed multilateral arrangement, or (2) to maintain agriculture supports at current or increased levels to promote exports and maintain world competitiveness until an acceptable agreement is reached. States U.S. agricultural objectives in the GATT are (1) to increase U.S. exports by eliminating trade barriers and production subsidies, (2) to clarify GATT rules for agricultural trade, and (3) to make GATT a useful tool for a free, more open world agriculture trading system by resolving questions on export subsidies, market pricing, and market access.

Item	Present Law	House Bill	Senate Amendment
(ii) Services	To reduce or eliminate barriers to, or other distortions of, international trade in services, including barriers that deny national treatment and restrictions on establishment and operation in such markets; and to develop internationally-agreed rules, including dispute settlement procedures, which are consistent with U.S. policies and will reduce or eliminate such barriers or distortions and help ensure open international trade in services. Requires U.S. negotiators to take into account legitimate U.S. domestic objectives (e.g., health or safety, etc.).	Same as present law, except refers to helping to ensure "fair, equitable opportunities in foreign markets" rather than "open international trade in services;" does not include domestic objectives requirement.	Cross references to present law.
(iii) High technology	Principal negotiating objectives are: -- to obtain and preserve the maximum openness with respect to international trade and investment in high technology products and related services; -- to obtain the elimination or reduction of, or compensation for, significantly distorting effects of acts, policies, or practices of foreign governments identified in the annual foreign trade barriers report, with particular consideration to the nature and extent of foreign government intervention affecting U.S. exports of high technology products or investments in high technology industries; -- to obtain commitments that official foreign policies will not discourage government or private procurement of foreign high technology products and related services;	To obtain the elimination or reduction of foreign barriers to, and foreign government acts, practices, or policies which limit equitable access by U.S. persons to foreign-developed technology, including barriers, acts, policies, or practices that have the effect of: -- restricting U.S. persons' participation in government-supported research and development projects; -- denying equitable access by U.S. persons to government-held patents; -- requiring approval or agreement of government entities, or imposing other forms of government intervention, as a condition for granting licenses to U.S. persons by foreign persons (except for national security purposes); and -- otherwise denying U.S. persons equitable access to foreign-developed technology or contributing to an inequit-	Adds to present law similar provision to House bill, except does not include elimination or reduction of foreign government acts, policies, or practices which limit equitable access.

Item	Present Law	House Bill	Senate Amendment
	-- to obtain the reduction or elimination of all tariffs and other barriers to U.S. high technology exports; -- to obtain commitments to foster national treatment; -- to obtain commitments to foster joint scientific cooperation; and -- to provide minimum safeguards for the acquisition and enforcement of intellectual property rights and the property value of proprietary data.	able flow of technology between the United States and its trading partners. In pursuing this objective, the United States shall take into account U.S. Government policies in licensing or otherwise making available to foreign persons technology and other information developed by U.S. laboratories.	
(iv) Foreign direct investment	To reduce or eliminate artificial or trade-distorting barriers to foreign direct investment, to expand the principle of national treatment, and to reduce unreasonable barriers to establishment; and to develop internationally agreed rules, including dispute settlement procedures, which will help ensure a free flow of foreign direct investment and will help reduce or eliminate the trade distortive effects of certain investment related measures. Applies same domestic objectives as for services.	Same as present law, except does not include domestic objectives requirement.	Cross references to present law.
(v) Safeguards	To obtain internationally-agreed rules and procedures which permit the use of temporary measures to ease adjustment to changes occurring in competitive conditions in the domestic markets of the parties to an agreement due to the expansion of international trade. To extend GATT safeguard procedures to all forms of import restraints used in response to injurious competition.	To improve and expand rules and procedures covering safeguard measures; to ensure that such measures are transparent, temporary, degressive, and subject to review and termination when no longer necessary to remedy injury and to facilitate adjustment.	To establish procedures to monitor the use by GATT Contracting Parties of import relief action for their domestic industies, to ensure that such action does not discriminate between different suppliers, is limited in duration, and is dependent on adjustment efforts by the domestic industries.

Item	Present Law	House Bill	Senate Amendment
(vi) Dispute settlement	Revisions necessary to establish procedures for regular consultations among countries on trade and procedures to adjudicate commercial disputes among such countries; revision of GATT decisionmaking procedures to more nearly reflect the balance of economic interests.	To provide for more effective and expeditious dispute settlement mechanisms and procedures, and to ensure that such mechanisms in the GATT and GATT agreements provide for more effective and expeditious dispute resolution and enable better enforcement of U.S. rights.	Revision of GATT decisionmaking procedures to ensure timely and decisive resolution of disputes, including, but not limited to: -- establishing a standing roster of non-governmental GATT experts to participate in GATT dispute settlement panels; and -- establishing a ministerial-level mechanism for ongoing monitoring and consultations about the consistency of GATT members' trade policies with GATT principles.
(vii) Unfair trade practices	Any revisions necessary to define the forms of subsidy to industries producing products for export and to attract foreign investment which are consistent with an open, fair, nondiscriminatory international trade system.	To improve provisions of the GATT and non-tariff measure agreements to deter and to provide greater discipline on unfair trade practices, including forms of subsidy, dumping, and export targeting practices not adequately covered; to improve further provisions applicable to agricultural trade so as to be consistent with those applicable to industrial products; and to seek otherwise greater discipline on, and to discourage persistent use of, unfair trade practices.	Revision of GATT articles necessary to define and discipline adverse trade effects resulting from the use of resource input subsidies, targeting, diversionary dumping, and dumped or subsidized inputs. Application of similar rules to the treatment of primary and nonprimary products in the GATT Agreement on Subsidies and Countervailing Measures.
(viii) Transparency	No provision.	No provision.	Any practicable revision of the international trading system to enhance transparency, including: -- substituting or replacing quantitative restrictions with tariffs or auctioned quotas; -- use of tariffs for domestic adjustment; and -- transparency in the trade policy making procedures of the GATT Contracting Parties to clarify the costs and benefits of trade policy actions.

Item	Present Law	House Bill	Senate Amendment
(ix) Border tax adjustments	Revision of GATT articles with respect to the treatment of border adjustments for internal taxes to redress the disadvantage to countries relying primarily on direct rather than indirect taxes for revenue needs.	No provision.	Identical provision in substance as present law.
(x) Improvement of agreements	Extension of GATT articles to conditions of trade not presently covered in order to move toward more fair trade practices.	To improve the operation and expand the coverage of GATT and multilateral trade agreements; and expand participation, where appropriate.	Extension of GATT articles and codes of conduct to products, sectors, and conditions of trade not adequately covered, including services, investment (e.g., performance requirements), intellectual property rights and expansion of entity coverage under the Government Procurement Code in order to move toward more open and fair trade practices.
(xi) Reciprocal treatment; specific barriers	To obtain competitive opportunities for U.S. exports equivalent to the competitive opportunities afforded in U.S. markets with respect to appropriate product sectors of manufacturing and with respect to the agricultural sector.	To achieve maximum reduction, elimination, or harmonization of specific tariff and nontariff trade barriers, particularly: -- measures identified in the annual foreign trade barriers (national trade estimates) report; and -- tariff disparities that impede access to particular export markets. To obtain international agreement regarding the principle that nondiscriminatory (most-favored-nation) treatment and other multilateral trade benefits are not required to be extended by a country to any other country unless such other country permits reciprocal market access opportunities for that country's goods and services.	To obtain, with respect to manufacturing, mining, agriculture, services, and investment related to trade in such economic sectors, competitive opportunities for U.S. exports in foreign markets equivalent to the competitive opportunities afforded foreign exports to U.S. markets, including the reduction or elimination of foreign tariffs and nontariff barriers on competitive U.S. exports when like or similar products enter the United States at low rates of duty or are duty-free.

Item	Present Law	House Bill	Senate Amendment
(xii) Intellectual property	No provision.	To seek enactment and effective enforcement by foreign countries of laws which recognize and adequately protect intellectual property; and to develop and strengthen international rules, dispute settlement provisions, and enforcement procedures against trade-distorting practices arising from inadequate national protection and ineffective enforcement of intellectual property rights, including: -- incorporation in the GATT of adequate and effective substantive norms and standards for the protection and enforcement of intellectual property rights as the basis for the dispute settlement provisions and enforcement procedures, which norms and standards are complementary to those of existing international conventions; and -- supplementing and strengthening standards for protection and enforcement in existing international intellectual property conventions administered by other international organizations, including expansion to cover new and emerging technologies and elimination of discrimination or unreasonable exceptions or preconditions to protection. "Intellectual property" includes copyrights, patents, trademarks, mask works, and trade secrets.	No provision.

Item	Present Law	House Bill	Senate Amendment
(xiii) Worker rights	To adopt international fair labor standards and public petition and confrontation procedures in the GATT.	Principal negotiating objectives regarding worker rights are: -- to promote respect for worker rights; -- to secure a review of the relationship of worker rights to GATT articles, objectives, and related instruments with a view to ensuring that the benefits of the trading system are available to all workers; and -- to adopt as a principle of the GATT, that the denial of worker rights should not be a means for a country or its industries to gain competitive advantage in international trade.	Revision of international agreements regarding worker rights, including: -- Identical in substance to House bill. -- Identical in substance to House bill. -- Identical in substance to House bill.
(xiv) Developing countries	No provision.	To ensure that developing countries, commensurate with their attaining more advanced and competitive levels of economic development, assume a full measure of responsibility for achieving and maintaining an open international trading system by providing reciprocal benefits and assuming equivalent obligations with respect to their import and export practices.	Revision of GATT articles relating to "special and differential" treatment for developing countries to establish procedures for gradually reducing non-reciprocal trade benefits to more advanced developing nations.
(xv) Current account surpluses	No provision.	To develop rules that impose greater responsibility on countries with large and persistent current account surpluses to undertake policy changes aimed at restoring current account equilibrium, including expedited implementation of trade agreements where feasible and appropriate.	Revision of GATT Article XII (balance-of-payment rules) to address persistent and excessive current account imbalances of any GATT Contracting Party with the world, including imbalances which threaten the stability of the international trading system. Accelerated implementation of concessions in any trade agreement by countries with persistent current account surpluses.

77-750 0 - 87 - 4

Item	Present Law	House Bill	Senate Amendment
(xvi) Trade and monetary coordination	No provision.	To develop mechanisms to assure greater coordination, consistency, and cooperation between international trade and monetary systems and institutions.	To increase GATT coordination with the International Monetary Fund (IMF) and the World Bank to ensure participation of the GATT Secretariat in IMF stabilization programs and World Bank structural adjustment loans.
(xvii) State trading; unfair trade concessions requirements	No provision.	No provision.	To enforce GATT rules against non-commercial state trading practices and unfair trade concessions requirements (as defined in section 301).
c. Specific agricultural objectives			
(i) General (sec. 111 of House bill)	No provision.	Expresses the sense of the Congress that the USTR should immediately enter into negotiations and use all his power and authority to achieve elimination of numerous tariff and nontariff barriers and unfair trade practices (including those listed in annual foreign trade barriers report) that affect U.S. agricultural products, with particular attention to certain (listed) practices of the EC, Japan, Korea, Taiwan, India, Canada, and Argentina, to eliminate such practices affecting U.S. exports of forest products, and to ensure that any agreement negotiated to reduce or eliminate unfair trade in forest products (including U.S.-Canada lumber agreement) is fully implemented within the framework contemplated.	No provision.
(ii) Liquor-filled chocolates (sec. 979 of Senate amendment)	No provision.	No provision.	Expresses the sense of the Congress that the President should negotiate foreign duty reductions on U.S. liquor-filled chocolates to U.S. tariff levels (EC duty is 12 percent compared to U.S. duty of 7 percent).

Item	Present Law	House Bill	Senate Amendment
(iii) EC soybeans and corn gluten feed (sec. 111 of Senate amendment)	No provision.	No provision.	Expresses the sense of the Senate that the Administration should not enter into any agreement with the EC that would enable the EC to withdraw or modify its obligation to provide duty-free treatment on soybeans, soybean meal, or corn gluten feed.
(iv) Wheat gluten (secs. 604, 605 of Senate amendment)	No provision.	No provision.	Sets forth findings and a declaration of Congress that GATT negotiations should achieve a significant reduction in foreign tariffs on wheat gluten, the Secretary of Agriculture should favorably consider industry proposals for use of export enhancement and targeted export assistance programs and promote the use of wheat gluten to enhance wheat flour food aid, and that the President should take all steps to defend the domestic wheat gluten industry (including use of section 301) if GATT negotiations are unsuccessful. The Secretary of Agriculture must submit a report to the House and Senate Committees on Agriculture within 120 days detailing the impact of the current international tariff structure on the U.S. wheat gluten industry.
d. Effects on small business (sec. 976 of Senate amendment)	No provision.	No provision.	The Secretary of Commerce is directed to study the effects on U.S. small business of extending the GATT to intellectual property rights, services, agriculture, aquaculture, and agri-business products, and to report the findings to Congress within 6 months.

Item	Present Law	House Bill	Senate Amendment
5. Definitions (secs. 113, 114 of House bill; sec. 102 of Senate amendment)	Defines the terms "barrier," "distortion," and "international" trade for purposes of the trade agreement negotiating authority.	Similar definitions for purposes of trade agreement authorities. Adds "any denial of adequate and effective protection of intellectual property rights" to the definition of "distortion." Defines "foreign country" to include any foreign instrumentality.	Similar definitions for purposes of trade agreement authorities. Treats each foreign instrumentality and each territory or possession of a foreign country administered separately for customs purposes as a separate foreign country. Also includes the term "state trading enterprise."

Item	Present Law	House Bill	Senate Amendment
1. Amendments to the foreign trade barriers national trade estimate report (sec. 183 of House bill; sec. 301 of Senate amendment)			
a. Additional estimates	Requires the USTR annually to submit to the Ways and Means and Finance Committees a national trade estimate (NTE) report-- a. identifying and analyzing foreign acts, policies, or practices which constitute significant barriers to, or distortions of, trade; and b. making an estimate of the trade-distorting impact of the barriers and distortions on U.S. commerce. Certain factors are to be taken into account in making the analysis and estimate, including-- a. the relative impact of the act, policy, or practice on U.S. commerce; b. the availability of information to document prices, market shares, and other matters necessary to demonstrate the effects of the act, policy, or practice;	Requires the USTR to identify and analyze in the NTE report any other significant act, policy, or practice that may constitute an element of export targeting, as defined in section 301. No provision.	No provision. Requires the USTR, in the NTE report, to include an estimate, and to take into account in making an analysis and estimate of significant barriers and their trade impact, of the value of additional goods and services of the United States and the value of additional foreign direct investment by U.S. persons, that would have been exported to, or invested in, each foreign country during the calendar year for which the estimate is made if each of the acts, policies, or practices of such foreign country that is identified as a significant barrier to, or distortion of, trade did not exist.

Item	Present Law	House Bill	Senate Amendment
	c. the extent to which such act, policy, or practice is subject to international agreements to which the United States is a party; and d. any advice given through appropriate private sector advisory committees.		
b. Submission of report	The NTE report is submitted to the Ways and Means and Finance Committees annually on the day that is the anniversary of the date of enactment of the International Trade and Investment Act (Oct. 30, 1984).	The report is to be submitted to "appropriate committees" of the House and to the Senate Finance Committee.	Requires the USTR to submit the NTE report on March 31 of each year, beginning in 1988, to the President in addition to the Ways and Means and Finance Committees.
2. Mandatory initiation (sec. 305 of Senate amendment)	A section 301 investigation may be initiated on petition of an interested person or by motion of the USTR. No mandatory initiation requirement.	No provision. (Separate provision under section 173 requires initiation of cases identified as involving priority intellectual property rights countries. See sections on Intellectual Property Rights.)	Requires the USTR, on the basis of acts, policies, and practices identified in the annual NTE report, to self-initiate a section 301 investigation of cases the pursuit of which is most likely to result in the greatest expansion of U.S. exports, either directly or through establishment of a beneficial precedent, unless the USTR determines, after consulting a majority of the domestic industry affected, that initiation would be detrimental to other efforts to eliminate the acts, policies, or practices. (Provision under section 302 on identification of priority intellectual property rights countries; section 305 requires initiation of section 301 investigation within 30 days after identification of any such priority country. See sections on Intellectual Property Rights.)

Item	Present Law	House Bill	Senate Amendment
3. Determination whether foreign act, policy, or practice is actionable under section 301			
a. Transfer of authority to the USTR (secs. 121, 124, 125 of House bill; sec. 306 of Senate amendment)	On the basis of an investigation (by petition or self-initiation) and consultations with the foreign country concerned, the USTR recommends to the President what action, if any, he should take with regard to the matters under investigation. The President determines whether action is appropriate and what action, if any, should be taken. The President is not required specifically to determine whether section 301 criteria are satisfied by the particular foreign act, policy, or practice, unless he takes action under section 301. The President may also take action on his own motion.	Determination. Transfers to the USTR the authority to determine whether and what section 301 criteria are met by the particular foreign act, policy, or practice. Requires a specific formal determination in all cases of whether the act, policy, or practice is actionable under section 301. Decision and implementation. Also transfers to the USTR the authority to decide and implement any section 301 action, if the USTR determination is affirmative, subject to the specific direction, if any, of the President. The President would not retain separate authority to take action on his own motion, but may direct the USTP to take section 301 action.	Determination. Transfers to the USTP the authority to determine whether section 301 criteria are met by the particular foreign act, policy, or practice. Requires a specific formal determination of whether the act, policy, or practice is actionable under section 301, which must be submitted to the President and published in the Federal Register. Decision and implementation. The President retains the authority to decide and implement action.
b. Foreign consultations (sec. 123 of House bill)	On the date the USTR decides to initiate a section 301 investigation, he is required to request consultations with the foreign country concerned. If the case involves a trade agreement, and a mutually acceptable resolution is not reached during the consultation period, if any, specified in the trade agreement, the USTR is required to promptly request that formal dispute settlement proceedings be initiated.	Requires the USTR to request dispute settlement proceedings at the earlier of the close of the consultation period specified in the agreement or 5 months after consultations began.	No provision.
	The USTR may delay the request for consultations with the foreign government for up to 90 days after an investigation is initiated in order to verify or improve the petition to ensure an adequate basis for consultations.	The USTR must consult with the petitioner before deciding to delay consultations with the foreign government.	No provision.

Item	Present Law	House Bill	Senate Amendment
c. Obtaining information (sec. 122 of House bill)	Investigatory procedures do not contain any statutory provisions with respect to the obtaining, verification, or use of information obtained by the USTR for making determinations.	Adds provisions applicable to all investigations which-- a. require the USTR to direct appropriate inquiries to foreign governments to obtain relevant information; b. authorize the USTR to request the foreign government to provide documentation or permit verification of the information as the USTR deems appropriate; and c. authorize the USTR to disregard all or part of the foreign country information and use best information available if the foreign information is not timely, complete, or adequate, or is not sufficiently documented or verified.	No provision.
d. Presentation of views (secs. 121, 124 of House bill)	Before recommending that the President take action, the USTR, unless he determines expeditious action is required--	No provision.	Requires USTR to provide opportunity for presentation of views before making unfair trade practice determinations, as well as before making recommendations, unless expeditious action is required.
	a. shall provide opportunity for the presentation of views, including a hearing if requested by any interested person;	The USTR must provide a minimum 30-day advance notice for the presentation of views by interested persons.	No provision.
	b. shall obtain advice from appropriate private sector advisory committees; and	In export targeting cases, the USTR must also consult with representatives of the affected U.S. industry and workers and other interested persons concerning the nature of appropriate remedial action, including possible non-trade measures to enhance the international competitiveness of the industry.	No provision.
	c. may request the views of the International Trade Commission (ITC) regarding the probable impact on the U.S. economy of taking action.		
	If expeditious action is required, these requirements apply only after making the	Adds a definition of "interested persons" for purposes of presenting views on the	Specifically includes as an interested person an industrial user of any goods or

Item	Present Law	House Bill	Senate Amendment
	recommendation to the President. No definition of "interested person."	issues raised in petitions, on USTR action decisions, and on modification or termination of actions. The term "interested persons" specifically includes, but is not limited to, domestic firms and workers, representatives of consumer interests, and U.S. product exporters that may be affected.	services involved in the investigation that may be the subject of actions.
e. Consideration of agricultural impact (sec. 121 of House bill)	No provision. The President determines whether and what section 301 action is appropriate; the private sector has opportunity to present views before USTR recommends action, unless expeditious action is required.	The USTR must, before determining to take section 301 action which would restrict imports, take into account the likely impact such action would have on U.S. agricultural exports. The public notice of the USTR's action decision must include a statement regarding the likely impact, if any, of an import-restricting action on U.S. agricultural exports.	No provision.
4. Time limits			
a. Unfairness determinations and recommendations (sec. 124 of House bill; sec. 306 of Senate amendment)	Requires the USTR to make a recommendation to the President on what section 301 action he should take, if any, not later than-- a. 7 months after initiation of the investigation if the petition alleges only an export subsidy covered by the General Agreement on Tariffs and Trade (GATT) subsidies agreement; b. 8 months after initiation of the investigation if the petition alleges a domestic subsidy or both export and domestic subsidies covered by the GATT subsidies agreement; c. 30 days after the dispute settlement procedure is concluded if the petition involves a trade agreement other	Requires the USTR to determine whether section 301 criteria are met, and, if affirmative, to decide what action, if any, he shall take, not later than-- a. 7 months after initiation of the investigation if only an export subsidy is alleged (same as present law); b. 8 months after initiation of the investigation if a domestic subsidy or both domestic and export subsidies are alleged (same as present law); c. 30 days after conclusion of dispute settlement or 18 months after initiation of the investigation, whichever occurs first, if a trade agreement other than the subsidies agreement is involved; or	Requires the USTR to determine whether section 301 criteria are met by no later than 9 months after an investigation is initiated. In export targeting cases the determination must be made no later than 6 months after initiation. In priority intellectual property rights cases, the determination is required within 6 months, within 9 months in certain exceptional circumstances. (See sections on Intellectual Property Rights.) (These time limits may be extended by up to 90 days to conform to any period of delay in the request for foreign consultations.) Requires the USTR to make a recommendation to the President on what actions he should

Item	Present Law	House Bill	Senate Amendment
	than the subsidies agreement; or d. 12 months after initiation of the investigation in any other case. (These time limits may be extended by up to 90 days if the request for foreign consultations was delayed.)	d. 12 months after initiation of the investigation in any other case (same as present law). In export targeting cases, the USTR must make a determination within 6 months after initiating an investigation (decision on action within 12 months). (Separate provision under section 173 requires determination and decision by USTR on priority intellectual property rights cases within 6 months, or within 12 months in certain exceptional circumstances. See sections on Intellectual Property Rights.) (These time limits may be extended by up to 90 days to conform to any period of delay in the request for foreign consultations.)	take at least 30 days before the President is required to take action.
b. Time limit for action (sec. 121 of House bill; sec. 306 of Senate amendment)	Requires the President to determine within 21 days after he receives a recommendation from USTR what action, if any, he will take. The President may also decide to take action on his own motion at any time. No time limits on retaliatory action or on its implementation.	Requires the USTR, subject to the specific direction, if any, of the President, to implement any section 301 action within 30 days after making a decision to take action under (a.) above. USTR may delay implementation of any retaliatory action for up to 180 days [legislative language of H.R. 3 referring to 90 days is in error] if -- a. the petitioner or the domestic industry requests a delay; or b. the USTR determines that substantial progress is being made or that delay is necessary or desirable to obtain U.S. rights or a satisfactory solution with	Trade agreement cases involving formal dispute settlement proceedings: Requires the President to act on the earlier of 6 months after the date on which a preliminary or final dispute settlement ruling is issued consonant with the USTR's affirmative determination, or 19 months after the investigation is initiated. The 19 months deadline may be postponed by the length of any period of delay in formal dispute settlement proceedings requested by the petitioner or majority of representatives of the domestic industry that would benefit, or a delay for which they are responsible. Other cases: Requires the President to act within 15

Item	Present Law	House Bill	Senate Amendment
		respect to the act, policy, or practice, or export targeting.	months after initiation of an investigation. Action may be postponed for a 60-day period if the President submits to the Congress a written statement which-- a. certifies that progress is being made to-- (1) enforce the U.S. rights that are the subject of the affirmative USTR determination; and (2) eliminate or reduce the acts, policies, or practices that are the subject of the affirmative determination; and b. fully describes the factual basis on which the certification is made. No more than two postponements may be made in the same investigation. Priority intellectual property rights cases: Requires the President to act within 30 days after an affirmative determination, or 4 months after an affirmative determination in exceptional circumstances investigations.
c. Notice and report requirements (sec. 121 of House bill)	Requires the President to publish notice of his determination and the reasons therefor in the Federal Register.	Requires the USTR to publish promptly in the Federal Register notice of each decision to take action, each delay in implementing action, and the reasons for the decision or delay. Adds requirement that the USTR report promptly in writing to the Congress on each action taken or the reason for taking	No provision.

Item	Present Law	House Bill	Senate Amendment
		no action on practices subject to mandatory action or to eliminate export targeting.	
5. Remedial action			
a. Mandatory/ discretionary action (sec. 121 of House bill; sec. 306 of Senate amendment)	If the President determines that action is appropriate: a. to enforce U.S. rights under any trade agreement; or b. to respond to any act, policy, or practice of a foreign country that (1) is inconsistent with the provisions of, or otherwise denies U.S. benefits under, any trade agreement, or (2) is unjustifiable, unreasonable, or discriminatory and burdens or restricts U.S. commerce; then the President-- a. shall take all appropriate and feasible action within his power to enforce such rights, or to obtain the elimination of the act, policy, or practice; and b. may (1) suspend, withdraw, or prevent the application of trade agreement concessions; and (2) impose duties or other import restrictions on the goods of, and fees or restrictions on the services of, the foreign country for such time as he deems appropriate; and c. may also restrict the terms and conditions, or deny issuance, of any prospective service sector access authorization (e.g., licenses).	Mandatory action: Requires the USTR, subject to the specific direction, if any, of the President, to take retaliatory action and to take all other appropriate and feasible action within his power to enforce U.S. rights or to obtain the elimination of the act, policy, or practice if the USTR determines that-- a. U.S. rights under a trade agreement are being denied; or b. an act, policy, or practice of a foreign government either (1) violates or is inconsistent with or otherwise denies U.S. benefits under a trade agreement; or (2) is otherwise "unjustifiable" and burdens or restricts U.S. commerce. The form of retaliatory action is discretionary, but the amount must be equivalent in value to the burden or restriction imposed by the foreign unfair practice on U.S. commerce. Exceptions: Retaliation would not be required if-- a. the GATT Contracting Parties determine or a GATT panel reports that U.S. trade agreement rights are not being denied or the act, policy, or practice is not a violation of, or inconsistent with,	If the USTP makes an affirmative determination in any case, the President is required to take whatever actions authorized by section 301 are necessary to enforce all rights, and to eliminate or offset all acts, policies, or practices subject to the determination. Exceptions: The President is not required to take action if-- a. the GATT Contracting Parties make a determination, or a ruling is issued under the dispute settlement procedures of any trade agreement other than the GATT,

Item	Present Law	House Bill	Senate Amendment
		U.S. rights or does not deny, nullify, or impair trade agreement benefits; or b. the USTR finds that-- (1) the foreign country is taking satisfactory measures to grant U.S. trade agreement rights; (2) the foreign government has agreed to eliminate or phase out the act, policy, or practice, or has agreed to an imminent solution to remove the burden or restriction on U.S. commerce that is satisfactory to the USTR; (3) it is impossible for the foreign country to achieve the results under (1) or (2), but it agrees to provide the United States compensatory trade benefits that are satisfactory to the USTR; or (4) such action is not in the U.S. national economic interest because it would result in such interests being more adversely affected if action were taken than if not, and the USTR reports the reasons to the Congress. Discretionary action: The USTR would have discretionary authority, as under present law, to take all appropriate and feasible action within his power to obtain the elimination of any act, policy, or practice he determines is "unreasonable" or "discriminatory," subject to the specific direction, if any, of the President.	that conflicts with the USTP's affirmative determination; b. an agreement is entered into under which the foreign country involved agrees to eliminate or adequately offset the act, policy, or practice and enforce the rights, and a majority of the representatives of the U.S. industry that would benefit from enforcement of the rights, or elimination of the acts, policies, and practices agree, or the petitioner, if any, agrees; c. the President certifies to the Congress that taking action would cause serious harm to the U.S. national security; d. the President certifies to the Congress that the enforcement of the rights and elimination of the acts, policies, and practices is impossible and the foreign country enters into an agreement to provide adequate compensation in the same economic sector as the domestic industry (or the economic sector as closely related as possible); or e. in cases involving "unreasonable" or "discriminatory" (not "unjustifiable") acts, policies, or practices or in priority intellectual property rights cases, the President certifies to the Congress that the elimination of such acts, policies, and practices is impossible, and retaliation would not be in the national economic interest.

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Item	Present Law	House Bill	Senate Amendment
			In cases involving subsidized world excess capacity, the President is not required to take any action but, if the President determines action is appropriate, he shall take all appropriate and feasible action in his power to obtain the elimination of the act, policy, or practice.
b. Type of action (sec. 121 of House bill)	The choice of the type of import restrictive retaliatory action is totally discretionary.	The type of retaliatory action in any case is discretionary, but preference must be given to tariff increases or removal of tariff preferences over quantitative restrictions; consideration must be given to a possible timetable for transferring any quota retaliation to an equivalent tariff.	No provision.
c. Sectoral scope of action (sec. 121 of House bill; sec. 306 of Senate amendment)	Authorizes the President to act with respect to any goods or sector without regard to whether the goods or sector were involved in the act, policy, or practice.	Requires the USTR to give preference in all cases to action on the same goods or sector and, in any compensation agreement, to seek benefits from the foreign country in the same goods or sector.	Requires that any compensation agreement provide trade benefits in the economic sector of which the U.S. domestic industry is a part, or the economic sector as closely related as possible to such economic sector.
d. Negotiated settlements (sec. 307 of Senate amendment)	No statutory provision, but USTR in practice negotiates agreements with foreign countries to resolve section 301 cases. No statutory authority is provided for agreements to offset or eliminate the burden or restriction on U.S. commerce, rather than to obtain the elimination, of foreign unfair acts, policies, or practices.	No provision.	Adds specific authority for the President to enter into binding agreements with a foreign country that fully offset or eliminate any burden or restriction on U.S. commerce resulting from the foreign act, policy, or practice.
e. Generalized System of Preferences (GSP) withdrawal (sec. 121 of House bill; sec. 307 of Senate amendment)	No specific provision. Section 301 authorizes the President to take all appropriate and feasible action within his power; he is also authorized to impose duties. Section 504 of the Trade Act of 1974 authorizes the President to withdraw,	Adds specific authority for the USTR to withdraw or not proclaim GSP beneficiary status to a developing country or to deny GSP duty-free treatment to any product of a beneficiary developing country as a form of section 301 action.	Identical provision to the House bill, except authority to act remains with the President.

Item	Present Law	House Bill	Senate Amendment
	suspend, or limit GSP duty-free treatment with respect to any article or country.		
f. Use of Export Enhancement Program (sec. 308 of Senate amendment)	No provision. Section 301 authorizes the President to take all appropriate and feasible action within his power to enforce rights or to obtain the elimination of the foreign unfair practice.	No provision.	If the USTR initiates an investigation of any foreign act, policy, or practice he has reason to believe may impair, or threaten to impair, U.S. sales of agricultural commodities or products of agricultural commodities in foreign markets, the USTR shall, after consulting with the Secretary of Agriculture and other appropriate agency heads, determine whether the provision of surplus commodities and the products of surplus commodities under the Export Enhancement Program to U.S. exporters, users, and processors and foreign purchasers would be an appropriate action to offset the foreign act, policy, or practice. The USTR must report to the President and the Congress on any determination and the reasons, including recommendations on the scope and application of any directive the President may issue if the determination is affirmative. If affirmative, the President shall direct the Commodity Credit Corporation to provide to the extent appropriate surplus agricultural commodities under the Program to U.S. exporters, users, processors and foreign purchasers to offset the act, policy, or practice, or submit a written statement to the Congress explaining why he declined to issue a directive. The President shall revoke a directive if the USTR determines the act, policy, or practice is not actionable under section 301 or if it is eliminated or fully offset.

Item	Present Law	House Bill	Senate Amendment
g. Service sector access authorization (sec. 911 of Senate amendment)	In addition to other retaliatory action, the President may restrict the terms and conditions or deny the issuance of any service sector access authorization (e.g., license) that permits a foreign supplier of services access to the U.S. market.	No provision.	Expands the definition of "service sector access authorization" to also apply to a foreign supplier of goods related to a service.
6. Subsequent action			
a. Commercial effects report (sec. 127 of House bill)	Requires a semiannual report to the Congress describing petitions filed, determinations made, the current status of each proceeding, and the actions taken, or the reasons for no action.	Adds requirement that the report describe the commercial effects of actions taken.	No provision.
b. Monitoring/ enforcement of foreign actions (sec. 125 of House bill)	No provision.	The USTR must monitor implementation of any measure, or compliance with any settlement agreement, by a foreign country. If the foreign country is not implementing or complying with the settlement, the USTR shall decide what action he shall take under section 301, to be treated as a violation of a trade agreement subject to mandatory action as if it were a decision on the original investigation (i.e., section 301 authority, time limits, consultation, and reporting requirements apply). Before taking any action, the USTR must consult with the petitioner and the domestic industry, and provide an opportunity for public views.	No provision.

Item	Present Law	House Bill	Senate Amendment
c. Modification/ termination (sec. 125 of House bill; sec. 306 of Senate amendment)	No provision.	Explicitly authorizes the USTR to modify or terminate a section 301 action at any time if-- a. the GATT or a GATT panel finds the action violates or is inconsistent with U.S. international obligations or the foreign act, policy, or practice is not a violation or does not otherwise deny, nullify, or impair U.S. trade agreement benefits; or b. the USTR determines (1) the foreign act, policy, or practice is being eliminated or phased out satisfactorily; or (2) the action is not effective or its continuation is not in the national economic interest. The USTR must promptly publish and report to the Congress any modification or termination and the reasons. Requires USTR to conduct a biennial review and assessment of the results and commercial effects of each section 301 action, and to decide whether any modification or termination is appropriate, after consultations with the petitioner and representatives of the domestic industry and providing an opportunity for public views by other interested persons affected.	Explicitly authorizes the President to modify or terminate an action if-- a. any of the exceptions apply listed under item 5.a.; or b. the burden or restriction on the U.S. economy of the denial of rights, or of the acts, policies, or practices subject to the affirmative determination has increased or decreased. The President must publish notice of his determination or action and the reasons in the Federal Register. Provides that any action will automatically terminate if it has been in effect during any four-year period and neither the petitioner nor any representative of the benefitting domestic industry submits to the USTR a written request for continuation during the last 60 days of the four-year period. USTR must notify by mail the petitioner and representatives of the domestic industry at least 60 days before the date of termination. If a request is submitted, USTR shall conduct a formal review of--

Item	Present Law	House Bill	Senate Amendment
			a. the effectiveness of the action and of other actions that could be taken (including actions against other goods or services) to achieve the enforcement of all U.S. rights, or the elimination or offsetting of all the foreign acts, policies, and practices that were the subject of the action; and b. the effects of such actions on the U.S. economy, including consumers. USTR shall submit a report on the review to the President and the Congress and include in the report any recommended action modifications. Upon receiving the report, the President may modify the actions.
7. Actionable foreign acts, policies, or practices			
a. U.S. trade with third countries (sec. 121 of House bill; sec. 307 of Senate amendment)	Unjustifiable, unreasonable, or discriminatory foreign acts, policies, or practices must also burden or restrict U.S. commerce to be actionable under section 301.	Makes explicit present administrative practice that the burden or restriction on U.S. commerce may be an effect on U.S. trade with third countries, as well as on bilateral trade.	Specifies that acts, policies, or practices of a foreign country which "burden" U.S. commerce include, but are not limited to-- a. those which have an adverse affect on trade between the United States and a third country; b. the subsidization of exports of such foreign country that results in the displacement of U.S. exports to a third country; c. the imposition of import restrictions or export performance requirements that result in the diversion of exports of a third country to U.S. markets; and

Item	Present Law	House Bill	Senate Amendment
			d. the enforcement of trade restraining agreements that result in the diversion of exports of a third country to U.S. markets.
b. Threat of burden on U.S. commerce (sec. 306 of Senate amendment)	Unjustifiable, unreasonable, or discriminatory acts, policies, or practices must be a burden or restriction on U.S. commerce to be actionable.	No provision, except export targeting is actionable if it threatens to be a significant burden or restriction on U.S. commerce. (See item c.(ii)).	Also makes any unfair act, policy, or practice actionable if it "threatens" to burden or restrict U.S. commerce.
c. Export targeting (sec. 121 of House bill; secs. 306, 307 of Senate amendment)			
(i) Definition	Section 301 applies to individual export targeting practices to the extent they otherwise meet section 301 criteria. Defines "unreasonable" as foreign acts, policies, or practices not necessarily in violation of, or inconsistent with, U.S. international legal rights, but otherwise deemed to be "unfair and inequitable." The definition specifically includes denial of fair and equitable market opportunities, opportunities for establishment of an enterprise, and provision of adequate and effective protection of intellectual property rights.	Makes "export targeting" specifically actionable if the USTR determines that a policy or practice of foreign export targeting exists and is, or threatens to be, a <u>significant</u> burden or restriction on U.S. commerce. The USTR may consult with appropriate Federal agencies in making the determination. The USTR must publish notice of the determination in the Federal Register. <u>Definition</u>.--"Export targeting" is defined as "any government plan or scheme consisting of a combination of coordinated actions (whether carried out severally or jointly) that are bestowed on a specific enterprise, industry, or group thereof the effect of which is to assist such enterprise, industry, or group to become more competitive in the export of any class or kind of merchandise."	Specifically includes export targeting in the definition of "<u>unreasonable</u>" acts, policies, or practices. The definition of export targeting is identical to the House bill, but also includes a list of illustrative practices-- a. protection of home market; b. promotion or toleration of cartels; c. special restrictions on technology transfer imposed for reasons of commercial advantage; d. discriminatory government procurement or other actions that limit foreign competition in a specific sector or of a specific industry and thereby promote export competitiveness of domestic firms;

Item	Present Law	House Bill	Senate Amendment
			e. the use of export performance requirements that limit foreign competition in a specific sector or of a specific industry and thereby promote export competitiveness; or f. subsidization (as defined in the GATT Subsidies Agreement).
(ii) Action		The USTR, subject to the specific direction, if any, of the President, is required to take action against export targeting which is a significant burden or restriction on U.S. commerce, unless he finds such action is not in the U.S. national economic interest because it would result in such interests being more adversely affected if action were taken than if not, and the USTR reports the reasons to the Congress. Action may be-- (1) retaliation against the goods or services of the foreign country; and/or (2) entry into an agreement providing an imminent solution by the foreign country to the significant burden or restriction on U.S. commerce, or compensatory trade benefits satisfactory to the USTR. If the national economic interest waiver is exercised, the USTR must convene a private sector panel of experts, including representatives of the domestic industry and labor, to advise on measures to promote the industry's competitiveness. The panel must report to the USTR within 6 months; the USTR must forward the report to the Congress with his recommendations.	Retaliatory action is mandatory, subject to the same exceptions applicable to other "unreasonable" acts, policies, or practices (see item 5.a.). If the President does not take retaliatory action because he certifies to the Congress that elimination of export targeting is impossible and that retaliation would not be in the national economic interest, the USTR must initiate negotiations with the foreign country to eliminate or fully offset the effects of export targeting or provide compensation. USTR must make periodic reports to the President on the progress of actions taken. If the USTR is unsuccessful in obtaining an agreement in a reasonable time period, the President must establish an advisory panel to report within 6 months to the President and Congress recommended measures to promote the competitiveness of the affected domestic industry. The panel must consist of Presidential appointees from the private sector, including representatives of management and labor in the domestic industry affected who by education and experience are qualified to serve. On the basis of the report, the President may take administrative actions and, if necessary, propose legislation to implement any

Item	Present Law	House Bill	Senate Amendment
		In any case, the USTR, subject to the specific direction, if any, of the President, may also take administrative actions and, if necessary, propose legislation to implement any other action to restore or improve the international competitiveness of the domestic industry. Action is discretionary if the export targeting threatens to be a significant burden or restriction on U.S. commerce. Any retaliatory action shall affect goods or services of the foreign country in an amount equivalent in value to the burden or restriction on U.S. commerce. Any action shall, to the extent possible, reflect the full benefit level of the targeting to the beneficiary over the period during which it has an effect.	other actions to restore or improve the international competitiveness of the domestic industry. The President must submit a report to Congress within 30 days after the advisory panel report on administrative actions taken and legislation proposed.
d. Worker rights (sec. 121 of House bill; sec. 307 of Senate amendment)	No provision. See definition of "unreasonable" under (c.) above.	Includes in the definition of "unreasonable" any foreign act, policy, or practice that, with respect to workers: denies the right of association; denies the right to organize and bargain collectively; permits any form of forced or compulsory labor; fails to provide a minimum age for the employment of children; and, taking into account a country's level of economic development, fails to provide standards for minimum wages, hours of work, and occupational safety and health.	Includes in the definition of "unreasonable" those foreign acts, policies, or practices which constitute a persistent pattern of conduct that denies workers the right of association, denies workers the right to organize and bargain collectively, permits any form of forced or compulsory labor, fails to provide a minimum age for the employment of children, or fails to provide standards for minimum wages, hours of work, and occupational safety and health of workers.

Item	Present Law	House Bill	Senate Amendment
		The USTR may determine that the act, policy, or practice is not unreasonable if the foreign country has taken or is taking steps that demonstrate a significant and measurable overall advancement to afford the rights and standards throughout the country, including in any designated zone within such country.	These acts, polices, and practices shall not be treated as unreasonable if the USTR determines that the foreign country has taken, or is taking, actions that demonstrate a significant and tangible overall advancement in providing the rights and standards throughout the country (including any designated zone), or such acts, policies, or practices are not inconsistent with the country's level of economic development. The USTR must publish such a determination and describe the facts in the Federal Register.
e. Intellectual property licensing (sec. 307 of Senate amendment)	No provision. See definition of "unreasonable" under (c.) above.	No provision.	Includes in the definition of "unreasonable" the requirement of a foreign country that intellectual property be licensed to that country or any firm of that country or that technical information regarding any product or service be submitted to such country as a condition for importation or marketing or sale of any U.S. product or service in that country.
f. Subsidized world excess capacity (sec. 307 of Senate amendment)	No provision. See definition of "unreasonable" under (c.) above.	No provision.	Includes in the definition of "unreasonable" the direct or indirect provision of a subsidy (including funds provided on terms inconsistent with commercial considerations) to increase the capacity to produce a nonagricultural fungible good for which existing world production capacity (or a reasonable expectation of future world capacity) significantly exceeds existing world demand (or a reasonable expectation of future world demand). Such an act, policy, or practice shall be treated as burdening or restricting U.S. commerce if it threatens to have an adverse impact on U.S. commerce.

Item	Present Law	House Bill	Senate Amendment
g. Access to foreign technology (sec. 906 of House bill)	No provision. See definition of "unreasonable" under (c.) above.	Includes in the definition of "unreasonable" denial of access to foreign-government-sponsored technology, research, or development.	No provision.
h. Market access (sec. 121 of House bill; sec. 307 of Senate amendment)	The definition of "unreasonable" includes any act, policy, or practice which denies fair and equitable market opportunities.	Specifically includes in the denial of fair and equitable market opportunities the toleration by a foreign government of systematic anticompetitive activities by or among private firms in that country that have the effect of restricting, on a basis that is inconsistent with commercial considerations, access of U.S. goods to purchasing by those firms.	Identical provision to House bill, except also includes activities that restrict access of U.S. services, as well as goods.
i. Reciprocity (sec. 121 of House bill; sec. 307 of Senate amendment)	No provision.	Explicitly provides that in determining whether an act, policy, or practice is "unreasonable," reciprocal opportunities in the United States for foreign nationals and firms shall be taken into account as appropriate.	Identical provision to House bill.
j. Mercantilist practices (sec. 307 of Senate amendment)	The term "discriminatory" includes, where appropriate, any act, policy, or practice which denies national or most-favored-nation treatment to U.S. goods, services, or investment.	No provision.	Includes in the definition of "discriminatory" any act, policy, or practice-- a. which enables a state trading enterprise to compete in international trade with U.S. firms or make purchases or sales in international trade on any basis that is not dependent on commercial considerations (including price, quality, availability, and transportation); b. through which a foreign country exercises its authority, influence or power for the purpose of assisting a state trading enterprise in competing in international trade with U.S. firms, or making purchases or sales in international trade, on any basis that is not dependent on commercial considerations; or

Item	Present Law	House Bill	Senate Amendment
			c. which fails to afford U.S. firms adequate opportunity, in accordance with customary business practice, to compete for participation in purchases from, or sales to, state trading enterprises. Whether purchases or sales have been based on "commercial considerations" shall be determined on the basis of similar arm's-length commercial purchases and sales by any person or entity that is not a state trading enterprise. "State trading enterprise" means-- a. any agency, instrumentality, or administrative unit of a foreign country which purchases goods or services in international trade for any purpose other than the use of such goods or services by such agency, instrumentality, administrative unit, or foreign country, or sells goods or services in international trade; or b. any business firm which is substantially owned or controlled by a foreign country or any agency, instrumentality, or administrative unit of a foreign country; is granted (formally or informally) any special or exclusive privilege by such foreign country, agency, instrumentality, or administrative unit; and purchases goods or services in international trade for any purpose other than the use of such goods or services by such foreign country, agency, instrumentality, or administrative unit, or which sells goods in international trade.

Item	Present Law	House Bill	Senate Amendment
k. Denial of benefits (sec. 307 of Senate amendment)	Any act, policy, or practice of a foreign country that is inconsistent with the provisions of, or otherwise denies benefits to the United States under, any trade agreement is actionable under section 301.	No provision.	Provides that a foreign act, policy, or practice denies benefits to the United States under a trade agreement if it nullifies, impairs, or impedes attainment of the objectives of the trade agreement, or constitutes an unfair trade concessions requirement with respect to any product or service within the purview of the trade agreement. "Unfair trade concessions requirement" is defined as any act, policy, or practice of a foreign government which, as a practical matter, unreasonably requires that substantial direct investment in the country be made, intellectual property be licensed to the foreign country or any firm of the country, or other collateral concession be made as a condition for importation of any U.S. product or service or as a condition for carrying on business in the foreign country. Existence of such a requirement may be inferred from existing circumstances if direct evidence of a requirement is not otherwise available.
8. Mandatory initiation on Japanese services barriers (sec. 908 of House bill; sec. 310 of Senate amendment)	No provision.	Requires the USTR, within 90 days after enactment, to initiate an investigation of the acts, policies, and practices of the Government of Japan and of entities owned, financed, or otherwise controlled by the Government of Japan with respect to Japanese barriers to the offering by U.S. persons of architectural, engineering, construction, and consulting services in Japan.	Identical provision in substance to House bill, except includes the "performance," as well as the "offering," by U.S. persons of such services.

77-750 0 - 87 - 6

Item	Present Law	House Bill	Senate Amendment
9. Conclusion of certain pending cases (sec. 128 of House bill)	No provision.	Expresses the sense of the Congress that the USTR should conclude, as soon as possible, all pending cases involving unfair foreign agricultural export practices.	No provision.
10. Foreign instrumentalities and territories (sec. 121 of House bill; sec. 307 of Senate amendment)	Applies to the acts, policies, or practices of "a foreign country or instrumentality."	Applies only to a "foreign country": defines the term "foreign country" to include any foreign instrumentality.	Applies only to a foreign "country": any foreign instrumentality, or any possession or territory of a foreign country that is administered separately for customs purposes, shall be treated as a separate foreign country.

Item	Present Law	House Bill	Senate Amendment
11. Treatment of foreign countries having excessive and unwarranted trade surpluses with the United States (sec. 126 of House bill); or countries maintaining a consistent pattern of import barriers and market distorting practices (secs. 303, 304 of Senate amendment)	No specific provisions.		
a. Short title (sec. 303 of Senate amendment)		No provision.	World Markets Opening Initiative.
b. Determination of excessive trade surplus countries		The ITC must make an annual determination in each of the years 1986 through 1991 as to whether any "major exporting country" (countries with more than $7 billion in trade with the U.S. in 1985 adjusted annually thereafter) is an "excessive trade surplus" country (i.e., it has a ratio of bilateral nonpetroleum exports over nonpetroleum imports that exceeds 175 percent; a bilateral nonpetroleum trade	No provision.

Item	Present Law	House Bill	Senate Amendment
		surplus with the United States in excess of $3 billion for the year; and a current account surplus for the year). No ITC determinations are required if the U.S. merchandise trade deficit is less than 1.5 percent of GNP. The determination is to be made initially by November 15, 1987, and by April 1 of each successive year.	
c. Determination of trade distorting policies		Within 15 days after the ITC determination, the USTR must determine whether any "excessive trade surplus" country is also an "unwarranted surplus" country--i.e., maintains a pattern of unjustifiable, unreasonable or discriminatory trade policies or practices that have a significant adverse effect on United States commerce and contribute to the excessive trade surplus of that country, based upon section 181 annual report (National Trade Estimate), findings under section 301 or antidumping and countervailing duty laws, adverse GATT determinations, and other relevant information, including but not limited to, the existence of discriminatory government procurement, excessive discriminatory government regulation, governmental tolerance of dumping in foreign markets, export subsidy and targeting policies, excessive tariff barriers, and any other unfair trade barrier.	Within 29 days after submission to Congress of the National Trade Estimate (NTE) in 1988 and 1989, the USTP must: (1) identify, on the basis of the NTE, those foreign countries that maintain a consistent pattern of import barriers and market distorting practices. In making this identification, USTR must take into account the acts, policies, or practices included in the NTE and the level of U.S. exports of goods and services that could reasonably be expected if a country fully implemented its trade agreements, based on the international competitive position of such products and services; (2) identify each country's major barriers and trade distorting practices whose elimination is likely to have the most significant potential to increase U.S. exports. In determining which barriers are "major," USTP must consider:

Item	Present Law	House Bill	Senate Amendment
		Designation of a country as an excessive and unwarranted trade surplus country will terminate for any given year if either the ITC or USTR makes a negative determination.	(a) the international competitive position and export potential of U.S. products and services; (b) circumstances in which the sale of a small quantity of a product or service may be more significant than its value; and (c) the measurable medium-term and long-term implications of government procurement commitments to U.S. exporters; and (3) estimate the amount by which U.S. exports would have increased during the preceding calendar year if those barriers and practices did not exist.
d. Report to Congress		No provision.	A report to Congress by USTP is required on the identification of countries and barriers and on trade estimates described in items (b) and (c) above.
e. Initiation of investigations	Section 302(c) of the Trade Act of 1974 provides for USTR investigations and recommendations to the President on the exercise of the President's section 301 authority with regard to unfair foreign trade policies and practices.	No provision.	Within 21 days of filing the report described in item (d) with Congress, USTP must initiate a section 302(c) investigation with respect to the major trade barriers and market distorting practices identified in the report with regard to each "consistent pattern" country.

Item	Present Law	House Bill	Senate Amendment
f. Negotiations and agreements to achieve elimination or reduction of unwarranted practices	Section 303(a) of the Trade Act of 1974 requires the USTR to request consultations with any country whose practices are the subject of investigation.	The USTR is required to enter into negotiations with each excessive and unwarranted surplus country for the purpose of entering into a bilateral trading arrangement which: (1) eliminates such country's "unwarranted" acts, policies, and practices or (2) eliminates the significant adverse effects of such acts, policies or practices on U.S. commerce. Within 90 days after negotiations have begun, the USTP must estimate the commercial value of each country's "unwarranted" practices and submit a report to Congress. Before making such estimates, the USTR must provide opportunity for public comment (including a hearing, if requested); take into account the NTE; and consult with the Ways and Means and Finance Committees. In determining whether an arrangement is satisfactory, the USTR must be satisfied that the arrangement will allow U.S. firms to improve their trade with the country involved by an amount equal to the commercial value of the country's unwarranted practices.	During the section 303(a) consultations with a foreign country, the USTR must seek to negotiate an agreement which provides for: (1) the elimination of, or compensation for, the major barriers and market distorting practices identified by the USTP, within 3 years of the date on which the investigation was initiated: and (2) the reduction of those barriers and practices over a 3-year period, with the expectation that U.S. exports to that country will, as a result, increase incrementally during each of the 3 years.
g. Suspension of investigations	No provision.	No provision.	An investigation must be suspended if an agreement described in item (f) is reached within the time limits prescribed generally by section 304(b)(2) as amended (see item #4 under section 301 amendments).

Item	Present Law	House Bill	Senate Amendment
h. Action if agreements not complied with		No provision.	If the President determines that a foreign country is not in compliance with an agreement entered into under this section, the President must direct the USTR to continue the section 301 investigation which was suspended as a result of the agreement, applying the same time limits for investigation that were applicable prior to suspension. General provisions of section 304 and 301 of the Trade Act of 1974, as amended, relating to USTR determinations and Presidential action, apply.
i. Action by USTR if no satisfactory agreement is reached		If, after 6 months the USTR is unable to conclude a satisfactory arrangement, then USTR shall on a timely basis and subject to the specific direction, if any, of the President, take action against all unjustifiable, unreasonable or discriminatory policies or practices found to exist (either during its initial determination of "unwarranted surplus countries" or during negotiations). Any action must be designed to affect the goods and services of the foreign country in an amount equivalent to the burden or restriction caused by these policies or practices. The USTR may take any of the following actions: (1) Suspend, withdraw, or prevent the application of trade agreement concession benefits with that country. (2) Direct customs officers to assess duties or impose other import restrictions on the products of that country for such time, in such an	All provisions of sections 304 and 301 of the Trade Act of 1974, as amended, relating to USTR recommendations and Presidential action, apply. (See section 301 amendments generally.)

Item	Present Law	House Bill	Senate Amendment
		amount, and to such a degree as the President determines appropriate. (3) Take administrative action, and, if necessary, propose legislation.	
j. Surplus reduction requirements		Each excessive and unwarranted surplus country must reduce its bilateral trade surplus by 10 percent per year. If that goal is not met, the USTR must take action to assure that the goal is met.	No provision.
k. Waiver authority		The President would be permitted to modify or terminate any action taken or reduce or waive the surplus reduction goal if the President considers that-- (1) because of balance of payments difficulties (including debt repayments), the country cannot meet the surplus reduction goal without suffering significant economic harm; or (2) continuation of enforcement actions or implementation of the surplus reduction requirement would cause substantial harm to the national economic interest of the United States; and the President develops a plan of action for otherwise achieving the fundamental purposes of this section. In order for any modification, termination, reduction, or waiver to become effective, the President must submit to the Congress a document stating	The President is not required to take action when any of the exceptions to action under section 301 generally apply (see item 5(a) under section 301 amendments).

Item	Present Law	House Bill	Senate Amendment
		his intention and containing the plan of action for otherwise achieving the fundmental purposes of this section. The Congress would have 60 days to disapprove the waiver under the fast-track.	
1. Annual reports and monitoring		The Treasury Secretary and the ITC shall undertake such annual monitoring and analysis of U.S. exports to, and imports from, excessive and unwarranted trade surplus countries with regard to which a trade arrangement or an action is in force as may be necessary to evaluate the efficacy of the actions. The results shall be submitted to the President, the USTR, and the Ways and Means and Finance Committees.	The USTR must submit a report to Congress annually, beginning in 1989, which includes the following information: (1) revised estimates of the amount by which U.S. exports to a country would have increased in the absence of its identified major barriers and market distorting practices; (2) in the case of a country that has entered into an agreement, evidence that demonstrates (in the form of increased U.S. exports during the previous year) that substantial progress has been made toward the goal of eliminating the major barriers and market distorting practices; (3) in the case of a country that has not entered into or not complied with an agreement, evidence that demonstrates (in the form of increased U.S. exports) the elimination of the major barriers and market distorting practices; (4) to the extent that evidence under paragraphs (2) and (3) cannot be provided, a description of the actions taken by the President under section 304 to eliminate or offset the barriers and market distorting practices.

Item	Present Law	House Bill	Senate Amendment
			Exception. The USTR may exclude any previously identified foreign country from the report in any calendar year after 1993 if, for the 2 previous years, the report demonstrated that all of that country's major barriers and market distorting practices have been eliminated.
m. Petitions by Congressional committees		No provision.	If the Finance Committee or Ways and Means Committee determines, through adoption of a resolution, that an investigation should be initiated with respect to the barriers and market distorting practices of any country that the Committee determines maintains a consistent pattern of import barriers or market distorting practices, the Committee is eligible to file a petition under section 302(a) and shall file such a petition.
n. Further authorized action against currency manipulation		The Treasury Secretary would be required to determine whether any "excessive and unwarranted surplus country" is maintaining its currency at an artificially low level in a manner that does not reflect the country's underlying competitive strength in world markets. If he finds affirmatively, the Secretary must initiate negotiations with such country to seek a more realistic alignment of its currency. If the country refuses to negotiate, or to negotiate in good faith, he is authorized to impose an "exchange rate equalization tariff."	See item 2(g) under section entitled "Trade Agreement Negotiating Authority."

Item	Present Law	House Bill	Senate Amendment
12. Trade and economic relations with Japan (sec. 311 of Senate amendment)	No provision.	No provision.	Expresses the sense of the Congress that the President should propose a summit between U.S. and Japanese leaders, including Members of the U.S. Congress and representatives of all Japanese political parties, to address trade and economic issues and establish an agreement laying out objectives for improvements in those areas and targets for meeting those objectives.
13. U.S.-Japan supercomputer trade dispute (sec. 312 of Senate amendment)		No provision.	Expresses the sense of the Congress that the USTR and other U.S. Government officials should place the highest priority on concluding and enforcing agreements with Japan on improved market access for U.S. supercomputers and cessation of Japanese predatory pricing activities. Those officials also should continue to monitor U.S. firms' efforts to gain access to the Japanese market, recognizing that the Japanese government may continue to manipulate its procurement process to maintain market dominance of Japanese producers.

IMPORT RELIEF UNDER THE ESCAPE CLAUSE: AMENDMENTS TO SECTIONS 201-203 OF THE TRADE ACT OF 1974

Item	Present Law	House Bill	Senate Amendment
1. ITC injury investigation	Upon request by the President, USTR, Ways and Means Committee, Finance Committee, the filing of a petition, or its own motion, the ITC shall investigate to determine whether an article is being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or threat thereof, to the domestic industry producing an article like or directly competitive with the imported article.	Retains present law.	Retains present law.
a. Purpose of import relief	Petitions for import relief for the purpose of facilitating orderly adjustment to import competition may be filed with the ITC. The petition shall include a statement describing the specific purposes for which import relief is being sought, which may include such objectives as facilitating the orderly transfer of resources to alternative uses and other means of adjustment to new conditions of competition.	Allows petitions to be filed for the purpose of enhancing long-term competitiveness or otherwise facilitating orderly adjustment. Retains present law regarding statement of specific purposes.	Retains present law regarding general purpose of import relief. Expands the list of specific objectives of import relief to include facilitating the orderly transfer of resources to alternative uses, enhancing competitiveness, or other means of positive adjustment to new conditions of competition.
b. Emergency import relief for perishable products	No provision. (Statutory authorities for Caribbean Basin Initiative (CBI) and for the U.S.-Israel Free Trade Area (FTA), however, do provide procedures for emergency import relief for perishable products.)	Adds new procedures for fast-track monitoring and emergency import relief to be imposed under section 201 on imports of perishable agricultural products.	Adds new procedures for emergency import relief under section 201 similar to CBI and U.S.-Israel FTA procedures.

Item	Present Law	House Bill	Senate Amendment
(i) Definition of perishable product	(For purposes of CBI and U.S.-Israel FTA, the term "perishable product" includes certain live plants, vegetables, fresh mushrooms, edible nuts or fruits, fresh cut flowers, and concentrated citrus fruits as specified in section 404(e) of the Trade and Tariff Act of 1984.)	Grants USTR the authority to determine whether a product is a "perishable agricultural product" for purposes of fast-track monitoring and relief. Determination is to be based on the facts and circumstances for each product. Factors to consider include: (1) short shelf life; (2) short growing or marketing season; (3) other legislative or administrative designation as perishable (such as CBI or Israel FTA designation); (4) any other factors deemed relevant.	No provision.
(ii) Procedure	No provision. (Under CBI and the U.S.-Israel FTA, petitioners for import relief on perishable agricultural products may also file a request with the Secretary of Agriculture for emergency relief. Within 14 days the Secretary, after consultation with the USTR, must determine whether there is reason to believe a perishable product from Israel or from a CBI country is being imported in such increased quantities as to be a substantial cause of serious injury to the domestic industry, and recommend to the President emergency relief if warranted. The President must determine within 7 days after receiving the Secretary's recommendation whether to take emergency action restoring the normal rate of duty pending final action on the import relief petition.)	Authorizes the USTR, at industry request, to direct ITC monitoring of imports of a perishable product for up to 2 years, if there is a reasonable indication that such industry is vulnerable to serious injury or threat thereof from increased imports. USTR's determination on monitoring must be made within 21 days of a request. The data collected during monitoring (at least 90 days) would enable an expedited ITC preliminary injury determination and remedy recommendation within 21 days after filing of a section 201 petition which requests emergency action. In making its remedy recommendation, ITC shall give preference to tariff increases. If the ITC makes an affirmative preliminary injury finding, USTR must grant provisional import relief within 7 days unless it is determined to be not in the national economic interest.	Authorizes petitioner for import relief regarding a perishable product also to file a petition with the Secretary of Agriculture for emergency relief. Within 14 days the Secretary shall advise the President and recommend emergency action if the Secretary has reason to believe that increased imports are a substantial cause of serious injury or threat thereof and that emergency action is warranted. If the Secretary recommends emergency action, within 7 days the President must either proclaim import relief or publish notice of his decision not to take emergency action.

77-750 0 - 87 - 7

Item	Present Law	House Bill	Senate Amendment
		Relief could be any form of import relief or suspension of liquidation of entries and/or posting of bond or security deposit. Relief terminates if ITC finds no serious injury or the USTR denies any import relief at end of investigation, or USTR decides relief is no longer warranted due to changed circumstances.	Relief could be tariffs, quotas, and/or tariff-rate quotas. Relief terminates if ITC finds no serious injury, or the President denies import relief at end of investigation, or President decides relief is no longer warranted due to changed circumstances.
c. Provisional import relief if critical circumstances exist			
(i) Definition of critical circumstances	No provision.	Critical circumstances (CC) exist if there is a substantial increase (absolutely or relatively) in the quantity of an article being imported into the United States over a relatively short period of time such that a delay in the taking effect of import relief would result in harm that would significantly impair the effectiveness of such import relief.	Critical circumstances exist if a significant increase in imports (actual or relative to domestic production) over a short period of time has led to circumstances in which a delay in import relief would cause damage to the domestic industry that would be difficult to remedy at the time relief would normally be provided.
(ii) Procedure	No provision.	If the petition alleges critical circumstances, and if ITC finds serious injury, then ITC must also determine (at the same time as its injury determination, which is within 4 months of petition) whether critical circumstances exist. If ITC finds CC, then it shall order immediate suspension of liquidation of all entries of the merchandise under investigation, and may order the posting of a bond or cash deposit. If USTR finds, within 7 days of the ITC determination of CC, that provisional import relief is not in the national economic interest despite the finding of CC, then USTR may order the suspension of liquidation to be withdrawn. Any import relief ultimately provided by	If, during the course of an investigation, the President finds that CC exist, the President shall impose provisional measures consisting of any actions otherwise authorized under the escape clause (tariff increase, tariff-rate quota, quota, OMA, TAA, regulatory relief, multilateral negotiations, or any combination). Provisional relief would remain in effect until revoked by the President, the ITC makes a negative injury determination, or 90 days after an ITC affirmative injury determination.

Item	Present Law	House Bill	Senate Amendment
		USTR must be retroactively applied to the date of initial suspension of liquidation. If the USTR decides not to provide import relief, then the suspension of liquidation shall be withdrawn.	
2. Industry adjustment measures			
a. Industry adjustment plan	No provision.	Petitioner may submit, either with the petition or at any time within 4 months of petition, a statement of proposed adjustment measures. Such statement should include, to the extent practicable, the following: (a) an assessment of current problems affecting the industry's ability to compete with imports; (b) recommendations as to the types of actions that workers and firms could undertake during a period of import relief to improve the ability of the industry to compete after relief terminates or to facilitate adjustment to increased import competition; (c) recommendations as to the types of actions that may be taken by Federal agencies or departments to assist the domestic industry's efforts either to enhance its competitiveness or to adjust to import competition; (d) an explanation of how import relief will assist in achieving these objectives.	Petitioner must submit, in the petition, a plan to promote positive adjustment to import competition, which shall be made public and available for comment.

Item	Present Law	House Bill	Senate Amendment
b. Consultations regarding adjustment measures	No specific provision. However, under section 201(c) any interested party to a proceeding (which includes other members of the domestic industry, importers, foreign exporters, and government agencies) may appear before the ITC at hearings and/or submit its views on the issues of injury and remedy. In practice, interested parties also submit their views to the USTR on the issue of whether import relief should be provided.	Before submitting a statement of proposed adjustment measures, petitioner may request USTR for an opportunity to consult with the USTR (and any other government officials which the USTR deems appropriate) and other members of the domestic industry with respect to recommendations likely to be included in such statement. The purpose of the consultations shall be to consider the adequacy of proposed adjustment measures in the context of any relief which might be provided and thereby enable the petitioner to develop a more effective statement of adjustment measures. If petitioner so requests, USTR must provide such opportunity to consult within a reasonable period of time, prior to the date required for submission of the statement (4 months after filing of petition). The USTR shall provide interested parties with adequate notice of the time and place for such consultations. No such consultation may occur unless USTR is present.	No specific provision for industry-government consultations in amendment, however, report language encourages such ongoing consultations throughout the import relief proceeding. Specifically requires ITC to afford interested parties and consumers an opportunity to comment on any adjustment plan at public hearings. States that nothing in this section shall be construed to provide immunity under the antitrust laws for any price-fixing agreement, horizontal restraints of trade or group boycotts which would otherwise be unlawful.
c. Individual commitments/ submissions	In order to assist the President with his relief determination, ITC is required to investigate and report on efforts made by firms and workers to compete more effectively with imports.	Requires ITC to seek information, on a confidential basis, from firms and workers in the domestic industry relating to what steps they are taking or plan to take to enhance competitiveness or to adjust to import competition. ITC shall share such information with the USTR on a confidential basis.	At any time after submission of a petition, any firm, union, community, trade association, person or group of persons may individually submit to the ITC commitments regarding their individual efforts to promote the positive adjustment in the domestic industry to import competition. If the ITC makes an affirmative injury determination, the ITC must seek to obtain, on a confidential basis, commitments from such persons and entities that the ITC considers appropriate, regarding actions such persons and entities intend to take to promote positive adjustment.

Item	Present Law	House Bill	Senate Amendment
d. Consideration by ITC and Administration	No provision.	-- See item 4.d. for requirement that ITC consider statement on proposed adjustment measures and individual submissions in determining remedy. -- See item 6.c. for requirement that USTR consider proposed adjustment measures and individual submissions in determining remedy. -- See item 10. for ITC authority to recommend modification of relief to account for industry's actions to become competitive.	-- See item 4.d. for requirement that ITC consider adjustment plan and confidential commitments in determining remedy. -- See item 6.c. for requirement that the President consider adjustment plan and confidential commitments in determining remedy. -- See item 10. for President's authority to modify or terminate actions after 3 years if industry has not made an adequate effort to make a positive adjustment.
3. ITC injury determination	No statutory deadline specifically for injury determination. ITC must report both its injury determination and remedy recommendation within 6 months of petition.	Requires ITC to make its injury determination within 120 days of petition.	Requires ITC to make its injury determination within 150 days of petition.
a. Determination of "domestic industry"	In determining the domestic industry producing an article like or directly competitive with an imported article, the ITC: (a) may, in the case of a domestic producer which also imports, treat as part of such domestic industry only its domestic production; and (b) may, in the case of a domestic producer which produces more than one article, treat as part of such domestic industry only that portion or subdivision of the producer which produces the like or directly competitive article.	Changes the "may" with respect to clauses (a) and (b) to "shall, to the extent such information is available."	Changes the "may" with respect to clause (a) only to "shall."

Item	Present Law	House Bill	Senate Amendment
b. Factors to be considered with respect to "serious injury"	ITC must take into account all factors which it considers relevant, including, but not limited to: the significant idling of productive facilities in the industry, the inability of a significant number of firms to operate at a reasonable level of profit, and significant unemployment or underemployment within the industry.	Changes the second factor listed to: "the inability of a significant number of firms to operate domestic production facilities at a reasonable level of profit."	Same as House bill.
c. Factors to be considered with respect to "threat of serious injury"	ITC must take into account all factors which it considers relevant, including, but not limited to: a decline in sales, a higher and growing inventory (whether maintained by domestic producers, importers, wholesalers, or retailers), and a downward trend in production, profits, wages, or employment (or increasing underemployment) in the domestic industry concerned.	Adds three additional factors: (1) a decrease in domestic market share; (2) the extent to which foreign exports are being diverted to the U.S. market by reason of trade restraints; and (3) the inability of domestic producers to generate adequate capital to finance modernization of plant and equipment.	Adds five additional factors: (1) a decline in domestic industry's market share; (2) the extent to which foreign exports are being diverted to the U.S. market by reason of trade restraints; (3) foreign export targeting; (4) existing preliminary or final AD or CVD determinations; and (5) the extent to which domestic firms are unable to maintain existing levels of R&D expenditures. Imports by domestic producers shall not be considered a factor indicating the absence of serious injury, or threat thereof.
d. Factors not indicating absence of serious injury, or threat thereof	No provision.	No provision.	
e. Causation standard	Increased imports must be a substantial cause of serious injury. "Substantial cause" is defined as a cause which is important and no less important than any other cause.	Clarifies that the Commission should consider the condition of the industry over the course of the relevant business cycle and shall not aggregate the causes of declining demand associated with a recession or economic downturn into a single cause of serious injury.	Same as House bill, plus requires ITC to examine factors other than imports which may be a cause of injury, and to include such findings in its report.

Item	Present Law	House Bill	Senate Amendment
f. Seasonal imports	No provision.	In cases involving seasonal agricultural imports, ITC may find serious injury if the increased imports are largely entering during a specific period or season of the year and are largely impacting only domestic producers harvesting or marketing during that period or season.	No provision.
g. Geographically isolated markets	No provision.	Allows the ITC to disregard, in making its injury determination, quantities of imports into a "geographically isolated market" defined as a market in which-- (a) producers within the market have not supplied (or made a significant effort to meet) demand in that market to any substantial degree in the most recent representative period, and there is no reasonable likelihood that they will do so, and (b) producers outside the market have not historically met demand within the market at prices reasonably equivalent to prices prevailing elsewhere in the United States because of costs incurred to ship or sell in the market.	No provision.
4. ITC remedy recommendation			
a. Deadline	The ITC must report to the President on its findings and determinations at the earliest practicable time, but not later than 6 months after filing of the petition. There are no separate deadlines for the injury determination and the remedy recommendation.	The ITC would be required to make a determination on remedy within 60 days of its injury determination (within 180 days of petition).	Requires the ITC to report its injury determination and remedy recommendation to the President within 180 days of filing of a petition.

Item	Present Law	House Bill	Senate Amendment
b. Participating Commissioners	No provision.	No provision.	Only those members of the ITC who agreed with the majority's affirmative injury determination are allowed to vote on recommended action.
c. Standard	If ITC makes an affirmative injury determination, it must then find the amount of the increase in, or imposition of, any duty or import restriction on the article investigated which is necessary to prevent or remedy the serious injury found, or, if ITC determines that TAA can effectively remedy such injury, ITC recommends the provision of TAA.	If ITC makes an affirmative injury determination, it shall determine what form and amount of import relief would be the most effective to prevent or remedy the serious injury and facilitate efforts by the domestic industry to enhance its long-term competitiveness or to adjust to import competition.	If ITC makes an affirmative injury determination, it shall recommend those actions (including but not limited to import relief), if any, that are likely to assist the domestic industry in making a positive adjustment to import competition, based on the ITC's evaluation of the adequacy of the adjustment plan or commitments. A "positive adjustment" occurs when the domestic industry is able to compete successfully with imports after relief terminates, or the domestic industry experiences an orderly transfer of resources to other productive pursuits. The cumulative impact of any recommended actions, however, may not exceed the amount necessary to prevent or remedy the serious injury.
d. Factors to consider	No provision.	In determining the form and amount of import relief, the ITC shall consider each of the following factors, and report on each of them in its report: (a) the extent to which import relief in conjunction with actions by the domestic industry (as identified in the statement on proposed adjustment measures and in individual confidential submissions to the ITC) are likely to enhance the long-term competitiveness of the domestic industry or otherwise facilitate adjustment;	Requires ITC to hold a public hearing on remedy recommendations, and to take into account, in making its remedy recommendation: (a) the objectives and actions, including the nature and extent of import relief, specified in the adjustment plan, and (b) any confidential commitments obtained by the ITC from any person regarding their individual efforts to promote positive adjustment.

Item	Present Law	House Bill	Senate Amendment
		(b) the current competitive position of the domestic industry in U.S. and world markets; (c) the trends in conditions of competition (U.S. and global) that are likely to continue in this sector; and (d) the role of this particular industry in the national economy, including its importance to U.S. national economic security.	In determining whether to recommend actions other than import relief, the ITC must take into account the likelihood that the objective of the actions can be attained.
e. Remedy options			
(i) Trade adjustment assistance	If ITC determines that the provision of trade adjustment assistance (TAA) can effectively remedy the injury and thus recommends TAA instead of import relief, then the President is required to direct the Secretaries of Labor and Commerce to expedite consideration of petitions for TAA.	If ITC makes an affirmative determination of injury, workers and firms within the injured industry would be automatically certified as eligible for benefits under the worker and firm trade adjustment assistance program. (Individual workers and firms would still have to request certification and apply to receive benefits, however.) Automatic eligibility for TAA would last for 3 years from the date of the ITC's serious injury determination.	If ITC recommends TAA, the President is required to direct the Secretaries of Labor and Commerce, within 30 days, to certify automatically workers and firms within the injured industry as eligible for TAA.
(ii) Import relief and other remedies	The ITC is to find the amount of increase in, or imposition of, a duty or import restriction which is necessary to prevent the serious injury.	In determining the form and amount of import relief, the ITC may choose any of the following: (a) tariff increase; (b) tariff-rate quota; (c) quantitative restriction; (d) negotiation of orderly marketing agreements; or (e) any combination of the above.	Authorizes the ITC to recommend any of the following: (a) tariff increase; (b) tariff-rate quota; (c) quantitative restriction; (d) certification of workers and firms as eligible for TAA; (e) consideration of firms' applications for regulatory modifications; (f) initiation of multilateral negotiations; or (g) any combination of the above.

Item	Present Law	House Bill	Senate Amendment
5. ITC report	Within 6 months of initiation, the ITC must report to the President on its injury determination, the basis therefor, and any separate or dissenting views. If the determination is affirmative, the ITC shall include in the report its findings regarding the import relief necessary to prevent or remedy such injury or, if it determines that trade adjustment assistance can effectively remedy such injury, a recommendation to provide such assistance.	Requires ITC to report to the USTR, rather than the President. Requires ITC report to include: (a) its injury and import relief determinations, and any dissenting or separate views regarding both determinations; (b) a detailed statement regarding the factors that the ITC must consider in determining the form and amount of relief it recommends; (c) an estimate of (1) the recommended import relief's effects (costs and/or benefits) on consumers of the imports and of the product generally and on other sectors of the U.S. economy, and (2) the economic or social costs or benefits to taxpayers, communities, and workers which would likely result if import relief were or were not provided; and, (d) information obtained by the ITC regarding actions or proposed actions by firms or workers to enhance competitiveness or adjust to import competition.	Requires ITC to include in its report to the President its injury determination and remedy recommendation and basis therefor, and any dissenting or separate views, and a description of the short- and long-term effects the recommended remedy is likely to have on other domestic industries and consumers. Allows ITC to submit to the President any findings or conclusions relevant to whether a merger or acquisition by firms in the domestic industry would assist the industry in making a positive adjustment, including: (a) the extent of foreign competition relevant to a determination of the competitive effect of a merger or acquisition; (b) the degree to which a merger or acquisition is likely to assist positive adjustment by reducing costs, promoting efficiency, or increasing sales; and (c) the effect on domestic competition and consumers.

Item	Present Law	House Bill	Senate Amendment
6. Administration action on ITC recommendations			
a. Transfer of authority from President to USTR	Within 60 days of receiving an affirmative determination from the ITC, the President must decide on import relief.	Transfers the authority to provide import relief from the President to the USTR.	Retains present law.
b. Standard	Within 60 days of receiving an affirmative determination from the ITC, the President must provide import relief, unless he determines that relief is not in the national economic interest. If the President determines to provide import relief, he shall provide such relief to the extent that, and for such time as, he determines necessary to prevent or remedy the serious injury and to facilitate the orderly adjustment to new competitive conditions.	Within 30 days of receiving an affirmative determination from the ITC (60 days in extraordinarily complicated cases), USTR must decide either (1) to provide import relief to the extent that, and for such time as, USTR determines necessary to prevent or remedy the serious injury and to enhance competitiveness or otherwise facilitate adjustment, or (2) not to provide import relief because: (a) the provision of any import relief would threaten our national security; or (b) the economic costs of providing any import relief are so great that they outweigh the economic and social benefits of providing import relief.	Within 60 days of receiving an affirmative determination from the ITC, the President must take the actions recommended by the ITC, or substantially equivalent actions, unless the President determines that such action: (a) would endanger U.S. national security; (b) would disproportionately burden U.S. agriculture with regard to exports, employment, or income; (c) would result in a loss of jobs greater than the number of jobs preserved or created; (d) would be a substantial cause of serious injury to any domestic industry that consumes any product of the import-impacted industry; and (e) would disproportionately burden the poor.

Item	Present Law	House Bill	Senate Amendment
c. Factors to consider	In determining whether to provide relief, and what form and amount of relief, the President is required to take the following factors into account: (a) the extent to which workers are benefitting from adjustment assistance and other manpower programs; (b) the extent to which firms are benefitting from adjustment assistance; (c) the probable effectiveness of import relief as a means to promote adjustment, the efforts being made or to be implemented by the industry to adjust to import competition, and other considerations relative to the position of the industry in the U.S. economy; (d) the effect of import relief on consumers and on competition in the domestic market for such articles; (e) the effect of import relief on the international economic interests of the U.S.; (f) the impact on U.S. industries and firms as a result of international obligations regarding compensation; (g) the geographic concentration of imports; (h) the extent to which there is diversion of foreign exports to the U.S. market by reason of foreign restraints; and	Requires USTR to consider the same factors, plus adds as additional factors: -- those factors the ITC is required to consider in making its remedy recommendation, including any statement on proposed adjustment measures and any confidential submissions -- the likely impact of import relief on agricultural exports -- the presence of any geographically isolated markets -- the seasonal nature of imports (if a seasonal agricultural product is involved) The USTR must give weight to the estimates of economic costs and benefits provided by the ITC in its report.	Requires the President, in deciding on actions substantially equivalent, or in addition, to the ITC recommendation, to consider existing factors (a), (b), (c), and (d), plus adds as additional factors: -- the adjustment plan and any confidential commitments regarding positive adjustment; -- the efforts of firms to provide retraining to workers; -- the potential for circumvention of any relief action.

Item	Present Law	House Bill	Senate Amendment
	(i) the economic and social costs which would be incurred by taxpayers, communities, and workers, if relief were or were not provided.		
d. Remedy options	If the President provides import relief, he may: (a) proclaim an increase in, or imposition of, a duty; (b) proclaim a tariff-rate quota; (c) proclaim a modification of, or an imposition of a quantitative restriction; (d) negotiate, conclude, and carry out orderly marketing agreements; or (e) take any combination of such actions. The President may also direct the Secretaries of Labor and Commerce to give expeditious consideration to applications for adjustment assistance by firms and workers. If the ITC recommends adjustment assistance, however, the President must direct such.	Retains present law, but prohibits granting of both quantitative restriction and OMA at the same time. Also, in addition to, or instead of, the existing remedy options, USTR may initiate international negotiations to address the underlying cause of the particular import problem.	Retains present law with regard to import relief options. In addition to the actions recommended by the ITC, the President is authorized to take the following actions: (a) direct the Secretaries of Labor and Commerce to certify workers and firms in the injured industry as eligible for adjustment assistance; (b) direct the head of any Executive branch department or agency to review applications from firms in the industry to modify any Federal regulatory requirement; (c) initiate multilateral negotiations to address conditions susceptible to multilateral approaches, such as global oversupply, diversion, or imports due to government targeting; or (d) take any combination of the above actions. The President may also request the Attorney General or FTC to consider the ITC report, findings and conclusions with repect to the effects of mergers or acquisitions in promoting positive adjustment, in considering antitrust enforcement actions.

77-750 0 - 87 - 8

Item	Present Law	House Bill	Senate Amendment
e. Duration of relief	The President shall provide import relief for such time (not to exceed 5 years) as he determines necessary to prevent or remedy serious injury and facilitate the industry's orderly adjustment to new competitive conditions. Relief may be extended by the President for an additional three years, if, after taking into account advice from the ITC, he determines such extension to be in the national interest.	Retains present law (transferring authority to USTR).	Provides remedy for the period of time (not to exceed 10 years) that is likely to assist the industry in making a positive adjustment to import competition.
f. Interagency consultation	No provision.	No provision.	Requires the President to consult with the Trade Policy Committee and to consider its recommendations with regard to his determinations.
g. Procedures for regulatory modifications	No provision.	No provision.	If the President directs consideration of such applications, any firm within the domestic industry may submit an application to modify any Federal regulatory requirement to the head of any designated department or agency. If so directed, the head of the department or agency shall conduct an expedited review of the regulatory requirement, and determine whether the firm is within the injured industry. If so, the head of the department or agency may take any appropriate action within the scope of its authority, and recommend appropriate Presidential or legislative action.

Item	Present Law	House Bill	Senate Amendment
7. Report to Congress	On the day the President determines to provide import relief or not to provide import relief, he must transmit to Congress a document setting forth his action and reasons therefor, including the reasons for any difference from the ITC recommendation.	Imposes similar requirement on USTR. If USTR's decision on import relief differs in either form or amount from the ITC recommendation, it must submit, along with its decision, a detailed explanation for such difference. Such explanation must account for how any relief provided facilitates efforts by the domestic industry to enhance its long-term competitiveness.	Requires President's report to Congress also to include any recommendations for legislation which would assist the domestic industry in making a positive adjustment to imports.
8. Enforcement	Requires the President to provide, by regulations, for the efficient and fair administration of any action taken.	Retains present law (transferring to USTR).	Retains present law, plus grants the President the authority to take such additional actions as may be necessary to eliminate any circumvention of actions taken.
9. Monitoring and periodic review by ITC	So long as any import relief remains in effect, the ITC is required to keep under review developments with respect to the industry concerned, including the progress and efforts made by firms in the industry to adjust to import competition.	Similar to present law, except requires ITC also to monitor progress and efforts to enhance competitiveness.	Similar to House bill, except requires ITC to monitor efforts of workers as well as firms.
	Upon request of the President, ITC shall make reports to the President concerning such developments.	Requires ITC to report annually thereon to both the Congress and USTR.	At intervals determined by the President, beginning at least 3 years after action is taken, and not more than once every 3 years, the ITC is required to submit a report to the President on its monitoring of the domestic industry. Specifically requires ITC to hold a hearing in the course of preparing each such report.
10. Modification/ termination of relief	The President may extend import relief beyond the 5-year limit at a level no greater than the level in effect at the time of extension. There can be only one extension of relief, to last for up to 3 additional years.	Retains present law and adds new provision which authorizes ITC, either on its own motion or upon request from an interested party, to recommend modifications in either the form or amount of relief (or both) when appropriate --	Subsequent to receiving an ITC monitoring report, the President may reduce, modify (but not increase), or terminate any action taken if either (1) the President determines that the domestic industry has not made an adequate effort to make a

Item	Present Law	House Bill	Senate Amendment
	The President may reduce or terminate import relief if he determines that such reduction or termination is in the national economic interest.	(a) to compensate for changes in currency exchange rates; (b) to prevent or respond to attempts to circumvent the import relief measures; (c) to ensure the effectiveness of the import relief in providing adequate opportunity for adjustment; (d) to account for changed circumstances in the domestic economy; (e) to account for actions taken or not taken by the domestic industry to adjust and become more competitive. Any recommendation by the ITC to modify import relief would be forwarded to USTR, and USTR would have 21 days to determine whether to order such modification.	positive adjustment to import competition, or (2) a majority of representatives of the domestic industry request such reduction, modification, or termination on the basis that the domestic industry has made a positive adjustment to import competition.
11. Evaluation of relief after expiration	No provision.	No provision.	Requires ITC to evaluate the effectiveness of the import relief after its termination, including holding a hearing, and report to the President and the Congress within 6 months of such termination on the evaluation.
12. Subsequent investigations	No investigation shall be made with respect to the same subject matter: a. for two years from the last day of import relief, concerning a subject for which import relief was provided; or b. for one year from the ITC's report to the President in a previous investigation.	Retains present law.	Prohibits investigation with respect to any domestic industry previouslv investigated if such prior investigation resulted in import relief, for a period of time equal to the period of relief granted. With respect to any other industry previously investigated, retains present law.

Item	Present Law	House Bill	Senate Amendment
13. Effective date		Amendments shall apply to all petitions filed on or after date of enactment. Any pending investigation with respect to which the ITC has not made an injury determination on date of enactment may be withdrawn and refiled without prejudice.	Amendments apply to any investigation initiated after date of enactment.
14. Auctioned quotas (sec. 131 of House bill; sec. 202 of Senate amendment)	Section 1102 of the Trade Agreements Act of 1979 authorizes the President to sell import licenses at public auction under such terms and conditions as he deems appropriate. Such authority may be used to administer quantitative restrictions imposed under specified statutes, including section 203 of the Trade Act of 1974.	Adds provision that, if ITC recommends a quantitative restriction in any import relief proceeding, such recommendation shall be to administer the quantitative restriction by auction of import licenses, unless the ITC determines that such action would have undesirable economic results.	Adds provision requiring the Secretary of the Treasury to administer each of the next three quantitative restrictions or OMAs imposed under the escape clause, by means of public auction of import licenses, unless the President determines that: (1) the costs would exceed any revenues from the auction; (2) such auction would result in retaliation against a substantial amount of U.S. exports; or (3) it cannot be administered without some person obtaining undue market power. Also requires the Secretary of the Treasury to prescribe regulations within 60 days of enactment providing for the public auction of import licenses.

Item	Present Law	House Bill	Senate Amendment
1. Worker trade adjustment assistance			
a. Eligibility (sec. 211 of Senate amendment)	The Secretary of Labor certifies a group of workers (including agricultural workers) as eligible to apply for adjustment assistance if he determines that-- a. a significant number or proportion of the workers in a firm (or subdivision of the firm) have been, or are threatened to be, totally or partially separated; b. sales and/or production of such firm or subdivision have decreased absolutely; and c. increases of imports of articles like or directly competitive with articles produced by such workers' firm or subdivision contributed importantly to the separation, or threat thereof, and to the decline in sales and/or production.	No provision. No provision.	Expands eligibility to otherwise qualified workers in firms that supply essential goods (parts, materials, or components) or essential services to directly affected firms for their production of articles like or directly competitive with increased imports. Effective date: Three years after date of enactment or 1 year plus 30 days after the President certifies GATT allows an import fee, whichever is earlier. Expands eligibility to all workers in the oil and natural gas industry (exploration to refining) and to workers in firms who provide essential goods or essential services as their principal trade or business to firms in the oil or natural gas industry. Effective date: Date of enactment; applies to workers laid off after Sept. 30, 1985, covered by a certified petition filed within 90 days after enactment.

Item	Present Law	House Bill	Senate Amendment
b. Supplemental wage allowance (sec. 141 of House bill)	Eligible workers are entitled to a weekly trade readjustment allowance (TRA) cash payment equal to their most recent weekly unemployment insurance (UI) benefit, payable after UI eligibility expires. UI and basic TRA payments combined are limited to a maximum of 52 weeks combined (normally 26 weeks of UI plus 26 weeks of TRA). An additional 26 weeks of TRA may be paid to workers enrolled in an approved training program (weeks 52 to maximum 78).	Provides a worker qualified for TRA who takes a new full-time job paying less than his previous job the option to collect up to 50 percent of his weekly TRA as a supplemental wage allowance, limited to an amount which raises his new wage up to 80 percent of his previous wage. The supplemental wage may be collected for the first 52 weeks after UI benefits expire or after the worker begins the new job while still eligible for UI, reduced by any amount of TRA already collected. Effective date: Workers covered by petitions filed on or after date of enactment.	No provision.
c. Separation from employment requirement (sec. 215 of Senate amendment)	An eligible worker may receive TRA cash benefits for up to 52 weeks (UI and TRA combined) of unemployment following a layoff occurring on or after the date specified in the certification that layoffs began or were threatened to begin (the "impact date"). Department of Labor regulations interpret the eligibility period as beginning on the date the worker was first separated from employment after the "impact date" and before or within the worker's first UI benefit period. TRA basic benefits may be collected only during the 104-week period following exhaustion of regular UI.	No provision.	Specifies that the most recent separation from employment shall be used for determining the beginning of a worker's eligibility period. Waives certain existing time limits for workers otherwise eligible to receive benefits, who were separated from employment between Aug. 13, 1981 (effective date of 1981 Budget Reconciliation Act), and Apr. 7, 1986 (effective date of 1985 Budget Reconciliation Act), if they are enrolled or had participated in approved training or if the Secretary certified such training was not feasible or appropriate.
	A certification does not apply to any worker whose last lay off before application for benefits occurred more than one year prior to the filing date of the petition.	No provision.	Waives the time limit for certain workers at Baxter-Travenol in Hays, Kansas whose layoff occurred more than one year prior to their petition filing date (layoff on or after March 15, 1985, petition filing date April 23, 1986).

Item	Present Law	House Bill	Senate Amendment
	Benefit payments may be made for layoffs which occur within 2 years after the certification date.	No provision.	Extends the 2-year expiration date to cover certain workers under a certification for Babcock and Wilcox in Beaver, Pa.
d. Training/cash benefits			
(i) Training requirement (sec. 142 of House bill; sec. 213 of Senate amendment)	Workers must be enrolled in or have completed an approved job search program, if available, to receive up to 52 weeks of basic TRA benefits (less weeks of UI payments).	Requires a worker to be enrolled in or have completed an approved training program in order to receive basic TRA if there is no reasonable prospect that the worker will be reemployed by the firm that laid him off (plant closing), unless the Secretary of Labor determines it is not feasible or appropriate to approve training. No TRA may be paid if the Secretary determines such worker is not enrolled or has ceased to participate in approved training for no justifiable cause, until the worker enrolls in or resumes such training. Job search requirements under present law apply as a condition for basic TRA if the worker's plant did not close permanently (training required for additional 26 weeks of TRA).	Replaces job search requirement by a requirement that any worker be enrolled in or have completed an approved training program to receive any TRA, unless the Secretary of Labor certifies to the worker that such training is not feasible or appropriate. The Secretary must submit an annual report to the Finance and Ways and Means Committees on the number of certifications. No TRA may be paid to a worker if the Secretary of Labor determines that such worker has failed to begin, or has ceased to participate in, such training program for no justifiable cause, until the worker begins or resumes approved training. Effective date: Three years after date of enactment or 1 year plus 30 days after the President certifies GATT allows an import fee, whichever is earlier.
(ii) Cash benefits (sec. 213 of Senate amendment)	An additional 26 weeks of TRA may be paid to workers engaged in training (weeks 52 to maximum 78), if the worker applied for training within 210 days after certification or layoff, whichever is later.	No provision.	Extends the maximum number of weekly TRA payments from 52 to 78 (less weeks of UI payments), for workers who are enrolled in or have completed training. If the Secretary of Labor has certified that approved training for the worker is not feasible or appropriate, maximum weekly payments would remain at 52.

Item	Present Law	House Bill	Senate Amendment
			Effective date: Three years after date of enactment or 1 year plus 30 days after the President certifies GATT allows an import fee, whichever is earlier.
e. Training duration (sec. 214 of Senate amendment)	No provision. Regulations impose 104-week limit on duration of training programs that may be approved.	No provision.	Prohibits the Secretary of Labor from establishing an absolute limit on the length of training programs for purposes of determining whether to approve training. The Secretary is directed to consider on a program basis whether the training is of suitable duration to achieve the desired skill level within a reasonable period. Clarifies that the Secretary may approve training for any certified worker without regard to whether the worker has exhausted UI or is being paid TRA.
f. Breaks in training (sec. 214 of Senate amendment)	Additional TRA benefits may be paid only for weeks during which the worker is engaged in approved training.	No provision.	Treats workers as participating in approved training and eligible for additional TRA benefits during any training break of less than 2 weeks if the break is provided under such training program or if the worker provides assurances that he will participate in another approved training program after the break.
g. Training costs (sec. 142 of House bill; sec. 214 of Senate amendment)	To the extent appropriated funds are available, the Secretary of Labor shall approve training for a worker, and the worker shall be entitled to payment of the training costs upon such approval, if the Secretary determines that-- a. there is no suitable employment for the worker; b. the worker would benefit from appropriate training;	No provision. Removes the appropriation limitation and requires the Secretary of Labor to approve training for a worker if the five criteria in present law are met; approval entitles the worker to payment of the cost up to $4,000 through a voucher system. Requires the Secretary to prescribe regulations setting forth the criteria under present law that will be used in making determinations on training approval. If the	Amends the fourth criteria to approved training is "reasonably" available. Same provision in substance as House bill, except payment may be made directly as well as through a voucher system. Effective date: Three years after date of enactment or 1 year plus 30 days after the President certifies GATT allows an import fee, whichever is earlier.

Item	Present Law	House Bill	Senate Amendment
	c. there is a reasonable expectation of employment following training; d. approved training is available; and e. the worker is qualified to undertake and complete such training.	training costs are less than $4,000, then any relocation allowance granted to the worker may be paid, in whole or in part, through the voucher system, up to the aggregate limit of $4,000. Specifies that remedial education is among the options for approved training. Requires costs of on-the-job training to be paid in 12 equal monthly installments. Effective date: Workers covered by petitions filed on or after date of enactment.	
h. Commingling of training funds (sec. 214 of Senate amendment)	If the costs of training are paid under TAA, no other payment for such costs may be made under any other provision of Federal law. The Secretary shall approve training to the extent appropriated funds are available.	No provision.	Requires approval of training programs that would otherwise be denied solely because the total cost would exceed an appropriation limitation, if the worker agrees that the excess cost will be paid from another Federal program or private sources. Effective date: Date of enactment.
		No provision.	Authorizes approval of training programs that exceed the $4,000 cost limitation, and the use of other Federal or private funds to pay the excess cost. Effective date: Three years after date of enactment or 1 year plus 30 days after the President certifies GATT allows an import fee, whichever is earlier.

Item	Present Law	House Bill	Senate Amendment
i. Administration (sec. 214 of Senate amendment)	State agencies administer TAA benefits through cooperative agreements with the Secretary of Labor. Training provided under TAA is often administered by a different State agency than training under the Job Training Partnership Act (JTPA).	No provision.	Requires agreements with the States to provide for the coordination of the administration of employment services, training, and supplemental assistance under TAA and under the dislocated worker program of JTPA under terms and conditions established by the Secretary in consultation with the States.
j. Benefit information (sec. 143 of House bill; secs. 212, 214 of Senate amendment)	The Secretary of Labor must provide full information to workers about the benefit allowances, training, and other TAA services available and the petition and application procedures. Cooperating State agencies must advise workers to apply for training at the time that they apply for TRA and, within 60 days of the worker's application for such training, interview the worker to determine and review suitable training opportunities.	Requires State agencies to inform workers of all program benefits and procedural requirements at the time they file for UI, advise the worker to enroll in a job search program or apply for training, as appropriate, and interview the worker as soon as practicable to determine and review suitable training opportunities. If the State agency has reason to believe a worker may be eligible for TAA, it must facilitate early filing of a petition for certification of eligibility.	Requires State agencies to advise each worker to apply for training before or at the time the worker applies for TPA and, as soon as practicable, to interview the worker regarding suitable training opportunities. Effective date: Three years after date of enactment or one year plus 30 days after the President certifies GATT allows an import fee, whichever is earlier. Requires the Secretary of Labor to notify certified workers of available benefits through the mail and a notice in general circulation newspapers at the time of certification or layoff, whichever is earlier.
2. Firm adjustment assistance eligibility (sec. 211 of Senate amendment)	The Secretary of Commerce certifies a firm (including any agricultural firm) as eligible to apply for adjustment assistance if he determines that: a. a significant number or proportion of the workers in such firm have been, or are threatened to be, totally or partially separated; b. sales and/or production of such firm (or of articles that accounted for at least 25 percent of such firm's sales or	No provision.	Expands eligibility to otherwise eligible firms that supply essential goods or essential services to directly affected firms for their production of articles like or directly competitive with increased imports (same as worker eligibility under item 1.a. above). Effective date: Three years after date of enactment or 1 year plus 30 days after the President certifies GATT allows an import fee, whichever is earlier.

Item	Present Law	House Bill	Senate Amendment
	production during the 12 months prior to the most recent 12 months) have decreased absolutely; and c. increases of imports of articles like or directly competitive with articles produced by such firm contributed importantly to the separation, or threat thereof, and to the decline in sales and/or production.	No provision.	Expands eligibility to all firms in the oil and natural gas industry and to firms who supply essential goods and essential services as their principal trade or business to firms in the oil and gas industry (same as worker eligibility under item 1.a. above). Effective date: Date of enactment.
3. Financial assistance for training programs (sec. 144 of House bill)	No provision.	Authorizes the Secretary of Commerce to provide grants and loans to support training programs for TAA-eligible workers that are administered by educational institutions and firms. The programs must provide training that meets the standards for TAA approval unless the Secretary of Labor considers the program contains innovative training methods that merit testing (no more than 30 percent of total available funds may be used for such innovative programs). Total grants outstanding cannot exceed $1 million; total loans outstanding to one training program cannot exceed $1 million. The program would be financed from a Supplemental Training Fund consisting of appropriations, payments of principal and interest from program loans, and appropriations from repayments and other receipts under the firm TAA program.	No provision.

Item	Present Law	House Bill	Senate Amendment
4. TAA funding			
a. Trust Fund (sec. 146 of House bill; sec. 217 of Senate amendment)	TAA is funded from general revenues. TRA benefit costs are an entitlement. Training costs, job search and relocation allowances, and administrative costs are subject to discretionary appropriations.	Worker and firm TAA would be funded from a newly created Trust Fund financed from (1) transfers quarterly of general revenues equivalent to amounts attributable to import relief or section 301 duties and any auctioning of import licenses; (2) deposits of collections from an import duty imposed as described below; and (3) appropriations. Training as well as TRA benefit costs, including their administrative expenses, would be treated as entitlements payable from the Trust Fund without the need for appropriations. Job search and relocation allowances, firm TAA, other administrative costs, and any assistance programs for communities with substantial TAA certifications, would be paid from the Trust Fund subject to advance appropriations.	Worker and firm TAA would be funded from a newly created Trust Fund financed from transfers quarterly of general revenues equivalent to amounts attributable to an import fee as described below. TAA expenditures cannot exceed an entitlement "cap" equivalent to a one percent import fee. Necessary amounts would be paid from the Fund for drawbacks and duty refunds allowable under other Federal law, all TAA costs, and repayments of advances from appropriations. The Secretary of the Treasury must submit an annual report to the Ways and Means and Finance Committees on the condition and operation of the Fund in the preceding and present years and subsequent 5 years. The Secretary of the Treasury must invest any surplus amounts in U.S. interest-bearing obligations. If expenditures in a year will exceed a one percent import fee, the Secretaries of Labor and Commerce shall make a pro rate reduction in TAA so all eligible workers and firms receive some assistance and expenditures do not exceed available funds. Authorizes appropriations as repayable advances with interest to cover program costs which are not met by the import fee. (These general fund advances are authorized only to the extent that total program costs do not exceed one percent of imports.) Effective date: Two years after enactment or 30 days after the President certifies GATT allows an import fee, whichever is earlier.

77-750 0 - 87 - 9

Item	Present Law	House Bill	Senate Amendment
b. Import fee (sec. 147 of House bill; sec. 218 of Senate amendment)	No provision.	The President must seek GATT agreement to permit imposition of a small uniform import duty to fund any program that assists worker adjustment to import competition. If successful, the President must so certify to Congress and in each following fiscal year impose such a duty in an amount not to exceed the costs of the worker TAA program. The duty would apply to all imports (free and dutiable) except most articles imported under special Schedule 8 tariff provisions (e.g., articles exported and returned, personal exemptions, governmental importations) and articles valued at less than $1,000.	The President must seek GATT agreement to permit imposition of a small uniform import fee to fund any program that assists adjustment to import competition. A fee amounting to the lesser of one percent ad valorem or the percentage necessary to fund the worker and firm TAA programs and to repay any advances from appropriations would be proclaimed on imports 30 days after the President certifies to Congress that he has reached GATT agreement, or two years after enactment, whichever is earlier. The fee would apply to all imports except most articles imported under special Schedule 8 tariff provisions and articles valued at less than $1,000 (same as House bill).
5. Expedited certification (secs. 131, 145 of House bill; secs. 201, 219 of Senate amendment)	The Secretaries of Labor and Commerce must determine within 60 days whether a petition filed on behalf of an individual group of workers in a particular firm or subdivision or a petition filed by an individual firm in an industry meets the criteria for certification of eligibility to apply for TAA.	Provides for automatic certification by the Secretaries of petitions filed by workers and firms producing articles like of directly competitive with articles produced by industries found seriously injured, or threatened with serious injury, by increased imports in import relief investigations if the petition is filed within 3 years after the Secretary receives a notification from the ITC of its affirmative determination (also see section 131).	Section 201 requires the President to direct the Secretaries to certify workers and firms as eligible to apply for TAA if the ITC finds serious injury, or threat of serious injury, by increased imports in import relief investigations and recommends the provision of TAA. Requires the Secretary of Labor, in consultation with the Secretary of Commerce, to conduct a study of the methods (including but not limited to industry-wide certification) that could be used to expedite worker certification. The Secretary must submit a report, including recommendations, to Congress within 6 months.

Item	Present Law	House Bill	Senate Amendment
6. Program reauthorization (sec. 216 of Senate amendment)	No assistance or payments are to be provided under worker or firm TAA after Sept. 30, 1991.	No provision.	Extends termination date of TAA worker and firm programs for 2 years until Sept. 30, 1993.
7. Effective dates (sec. 148 of House bill; sec. 221 of Senate amendment)	No provision.	Amendments effective upon date of enactment, except the supplemental wage allowance, training requirement, and training entitlement/voucher provisions apply to workers covered by petitions filed on or after date of enactment.	Import fee, Trust Fund: Two years after date of enactment or 30 days after the President certifies GATT allows an import fee, whichever is earlier. Expanded general coverage, training requirement/cash benefits, training entitlement/voucher, and State agency training advice provisions: Three years after date of enactment or 1 year plus 30 days after the President certifies GATT allows an import fee, whichever is earlier. Other provisions: Date of enactment.

MARKET DISRUPTION BY NONMARKET ECONOMY IMPORTS (AMENDMENTS TO SECTION 406 OF THE TRADE ACT OF 1974)
(SECTION 135 OF HOUSE BILL)

Item	Present Law	House Bill	Senate Amendment
Market Disruption	Section 406 of the Trade Act of 1974 authorizes the President to provide temporary import relief (tariffs or quotas) if imports of a particular product from a particular communist country are causing market disruption. Market disruption is an injury-based standard; no evidence of unfair trade practices is required, or taken into account.	Amends section 406 to lower the test for establishing market disruption and to provide for consideration of foreign unfair trade practices.	No provision.
1. Transfer of authority	The authority to provide import relief is granted to the President.	Transfers the authority to the USTP.	No provision.
2. Eligible countries	Action may be taken under section 406 with respect to imports from a Communist country (defined as any country dominated or controlled by communism).	Replaces the term "communist country" with the term "non-market economy country," which is defined as "any country in which the government seeks to determine economic activity through central planning rather than reliance on market forces to allocate productive resources."	No provision.
3. Test for establishing market disruption	Market disruption exists when imports of an article, like or directly competitive with an article produced by a domestic industry, are increasing rapidly, either absolutely or relatively, so as to be a significant cause of material injury, or threat thereof, to such domestic industry.	Amends the test for determining market disruption to "whether an article is being imported into the U.S. in such increased quantities (either absolutely or relatively) as to be an important cause of material injury," thereby deleting the requirement that imports be increasing "rapidly," and lowering the causation test from "significant" cause to "important" cause.	No provision.

Item	Present Law	House Bill	Senate Amendment
4. Factors to be considered in evaluating market disruption	Not specifically listed in statute.	Requires the ITC to consider, among other factors: (i) the volume of imports; (ii) the effect of imports on prices in the U.S. for like products; (iii) the impact of imports on domestic producers of like products; and (iv) evidence of disruptive pricing practices or other efforts to unfairly manage trade patterns.	No provision.
5. Cumulation	No provision.	In determining whether market disruption exists, the ITC shall, where appropriate, cumulate imports from 2 or more non-market economy countries subject to investigation under this section.	No provision.
6. Remedy	Upon a finding of market disruption, the ITC shall recommend such duty increase or other import restriction which is necessary to prevent or remedy the market disruption.	Also authorizes the ITC to recommend a variable tariff based on the average of (1) average U.S. producer prices and (2) average import prices.	No provision.
7. Discretion of administering authority	If the ITC finds market disruption, the President must provide import relief unless he determines that such relief is not in the national economic interest.	If the ITC finds market disruption, USTP can deny import relief only if the provision of such relief would have a serious negative impact on the domestic economy.	No provision.
8. Deferral of effective date	No provision.	Postpones the effective date of these amendments with respect to any country with whom the United States has, on date of enactment, conflicting obligations under an international agreement, until the date on which such agreement is due to expire.	No provision.

AMENDMENTS TO THE COUNTERVAILING AND ANTIDUMPING DUTY LAWS

SUBSIDY PROVISIONS

Item	Present Law	House Bill	Senate Amendment
1. Application of countervailing duty law to nonmarket economy countries (sec. 157 of House bill)	A 1986 decision of the U.S. Court of Appeals for the Federal Circuit (Georgetown Steel Corp. v. U.S., 801 F.2d 1308, Fed. Cir. 1986) held that the countervailing duty law does not apply to nonmarket economy countries.	Provides that the countervailing duty law does apply to nonmarket economy countries to the extent that Commerce can reasonably identify, and determine the amount of, a subsidy provided by that country.	No provision.
2. Actionable domestic subsidies (sec. 153 of House bill; sec. 333 of Senate amendment)	Section 771(5)(B) of the Tariff Act of 1930 sets forth a list of actionable domestic subsidies which, if provided or required by government action to a specific enterprise or industry, or group of enterprises or industries, fall within the definition of subsidy subject to U.S. countervailing duties. This list includes, but is not limited to: (1) the provision of capital, loans, or loan guarantees on terms inconsistent with commercial considerations; and, (2) the provision of goods or services at preferential rates.	(a) Clarifies the application of the countervailing duty law to domestic subsidies by requiring that the Commerce Department base its determination on whether a particular subsidy is <u>in fact</u> bestowed upon a specific industry or group of industries, or instead is bestowed upon industries in general. (b) Provides a hierarchy of rates to serve as benchmarks for determining whether goods or services are provided at "preferential rates." Requires that Commerce compare the rate provided to the enterprise or industry to the first of the following rates that can be determined: a freely-available and market-determined rate within the foreign country; an appropriate rate applicable to external transactions; the cost of production plus a reasonable profit.	(a) Similar provision to House bill. Effective for investigations and reviews initiated after date of enactment. (b) No provision.

Item	Present Law	House Bill	Senate Amendment
3. Application of countervailing duty law to leases (sec. 335 of Senate amendment)	Both the antidumping and countervailing duty laws apply to any leasing arrangement which is equivalent to the sale of that merchandise.	No provision.	Amends countervailing duty law to apply to all leasing arrangements. Effective for investigations and reviews initiated after date of enactment.
4. Treatment of international consortia under countervailing duty law (sec. 337 of Senate amendment)	No provision.	No provision.	Provides that, in determining any countervailing duty, Commerce shall cumulate, in addition to subsidies provided directly to an international consortium, all subsidies to members (or other participating entities) of an international consortium producing merchandise subject to a countervailing duty investigation that assist, permit, or otherwise enable them to participate in such consortium through production operations in their respective home countries.
5. Upstream agricultural subsidies (sec. 338 of Senate amendment)	Subsidies provided on inputs into merchandise subject to a countervailing duty investigation are taken into account in determining any countervailing duty on the final products if such subsidies bestow a competitive benefit on the merchandise under investigation and have a significant effect on its cost of production.	No provision.	Adds new provision relating to upstream subsidies on processed agricultural products. Requires subsidies provided on a raw agricultural product to be deemed as provided on the production or export of an agricultural product processed from such raw product if: (1) the demand for the raw product is substantially dependent on the demand for the processed product; and (2) the processing operation adds only limited value to the raw product.

Item	Present Law	House Bill	Senate Amendment
6. Subsidy commitments			
a. Violations of subsidy commitments (sec. 334 of Senate amendment)	No provision.	No provision.	Clarifies that USTR has authority to revoke the injury test for any country that violates a Subsidies Code commitment it has undertaken with respect to the United States. Explicitly states that USTR may revoke the injury test if a foreign country either announces that it will not, or in fact does not, honor its obligations.
b. USTR study of subsidy commitments (sec. 169(b) of House bill)	No provision.	Requires USTR to begin, within 90 days of enactment, a review of Subsidies Code commitments undertaken by other countries with respect to the United States, and to report to the Committee on Ways and Means and the Committee on Finance on the results of such review within six months of its commencement. Requires the review to include an evaluation of whether commitments have been met; the time frames for compliance; and any recommendations on how to improve commitments policy.	No provision.

Item	Present Law	House Bill	Senate Amendment
7. Nonmarket economy imports (sec. 325 of Senate amendment)	To determine whether a nonmarket economy country is dumping in the United States, present law provides a "surrogate country" methodology to be used in establishing the foreign market value of imports from nonmarket economy countries.	No provision. But see description of section 135 of House bill which amends section 406 of the Trade Act of 1974 to allow for consideration of disruptive pricing practices in determining market disruption.	Replaces the surrogate country methodology for determining foreign market value with a pricing benchmark.
a. Standard	If available information indicates that the economy of the exporting country is state-controlled to an extent that sales in that country's home market or to third country markets do not permit a determination of foreign market value using the normal methodology, then Commerce must determine the foreign market value of the merchandise on the basis of the normal costs, expenses, and profits as reflected by either: (1) the prices at which merchandise of a non-state-controlled-economy country is sold either for consumption in the home market of that country, or to other countries, including the U.S.; or, (2) the constructed value of merchandise in a non-state-controlled-economy country.	No provision.	Establishes a pricing benchmark based on the trade-weighted average price at which comparable merchandise, produced in the "eligible market economy country" accounting for the largest volume of imports of comparable merchandise, is sold at arm's length in the U.S. during the most recent period for which sufficient information is available.

Item	Present Law	House Bill	Senate Amendment
b. Nonmarket economy country	No provision.	No provision.	"Nonmarket economy country" defined as any foreign country that Commerce determines does not operate on market principles of cost or pricing structures, so that sales in the country do not reflect the fair value of the goods. In making this determination, Commerce shall take into account: currency convertibility; the extent to which wage rates are determined by free bargaining between labor and management; the extent to which joint ventures and foreign investment are permitted; and other factors Commerce considers appropriate. Commerce may make such a determination at any time. It shall remain in effect until revoked and not be subject to judicial review.
c. Eligible market economy country	No provision.	No provision.	"Eligible market economy country," defined as any country that is not a nonmarket economy country, where comparable goods are produced and exported, and which Commerce determines is appropriate, taking into account factors including, but not limited to: (1) whether comparable goods from that country are subject to an antidumping or countervailing duty order (or agreement suspending any such investigation); (2) whether any international agreement affecting the price or quantity of imports is in effect; or, (3) whether the level of imports is de minimis.

Item	Present Law	House Bill	Senate Amendment
d. Exceptions			
(i) Cases where no eligible market economy supplier exists	No provision.	No provision.	If Commerce determines that there is no eligible market economy country, foreign market value would be based on constructed value of comparable merchandise in any country or countries other than a nonmarket economy country.
(ii) Cases where average import price of largest volume supplier reflects dumping	No provision.	No provision.	If Commerce determines that the comparable merchandise from the eligible market economy country is either subject to an antidumping order, or Commerce has reason to believe it is being sold below fair value, then the foreign market value for the imports under investigation shall be a constructed value based on the factors of production incurred in producing the imports (including, but not limited to, labor, raw materials, energy and other utilities, and representative capital costs, including depreciation). The factors would be valued from the best available evidence in the market economy or economies deemed appropriate by Commerce. Commerce shall determine whether there is reason to believe that such comparable merchandise is being sold at less than fair value whenever the petitioner or another interested party alleged such.

Item	Present Law	House Bill	Senate Amendment
e. Suspension agreements	Section 734 allows for suspension of an antidumping investigation based on: (1) an agreement to cease exports within 6 months; (2) an agreement to revise prices to eliminate completely any sales at less than fair value; or, (3) an agreement to revise prices to eliminate completely the injurious effects of the imports. It does not allow for suspension of anti-dumping investigations on the basis of quantitative restriction agreements.	No provision.	Provides special rule under section 734 for suspending antidumping investigations of imports from nonmarket economy countries based on quantitative restraint agreements. Such agreements must satisfy the general requirements for suspension agreements and prevent suppression or undercutting of domestic price levels.
f. Collection of information	No provision.	No provision.	The U.S. Customs Service and the ITC would be required, upon request by Commerce, to provide Commerce with all public or proprietary information obtained by them that is relevant to investigations regarding imports from nonmarket economy countries.
g. Effective date	No provision.	No provision.	Effective only for investigations (not reviews) initiated after date of enactment.
8. Diversionary input dumping (sec. 156 of House bill)	No provision (current antidumping law only allows for antidumping duties to reflect the difference between the price at which the product under investigation is sold in the U.S. and the price at which it is sold abroad (either the foreign home market, a third country market, or a constructed value) -- there is no scrutiny of the prices of materials or components which were incorporated into the product).	Adds a new section to the Tariff Act of 1930 to account for diversionary input dumping (exportation of a product which incorporates a dumped input product) in determining the foreign market value of a product under investigation.	No provision affecting the determination of foreign market value, but see Senate amendment on expanstion of antidumping orders to prevent circumvention and diversion through assembly or finishing operations in a third country (item 19.b. below).

Item	Present Law	House Bill	Senate Amendment
a. Definition	No provision.	Diversionary input dumping occurs whenever any foreign material or component which has been found within the past six years to have been dumped in the U.S. market is purchased by a foreign manufacturer at a price less than its fair value.	No provision.
b. Investigations	No provision.	Commerce shall investigate whether input dumping is occurring whenever: (1) Commerce has reasonable grounds to believe or suspect that diversionary dumping is occurring; (2) the input is routinely used as a major material or component in producing the merchandise currently under investigation (such that it has a significant effect on the cost of producing the merchandise); and, (3) imports of the input have declined, or increased more slowly, while imports of the merchandise under investigation have increased.	No provision.
c. How taken into account in current investigation	No provision.	If the Commerce Department determines that diversionary input dumping is occurring, then the foreign market value for the merchandise under investigation (the downstream product) must be based on constructed value, which shall be increased by the difference between the dumped input's purchase price and its fair value.	No provision.
d. How to measure the amount of diversionary input dumping	No provision.	In determining whether, and to what extent, the foreign input was purchased by a foreign manufacturer at a price "less than its fair value", Commerce shall use the following:	No provision.

77-750 0 - 87 - 10

Item	Present Law	House Bill	Senate Amendment
		(1) If there is an antidumping duty order currently in effect with respect to the input, then the foreign market value of the input identified in such order shall be used in determining the fair value of the input. (2) If there is no antidumping duty order currently in effect, because the investigation was terminated or suspended on the basis of a quantitative restriction agreement, then the fair value of the input shall be based on the best available information, including any information gathered in the previous investigation of the input and information contained in the petition. (3) If Commerce determines that the method for calculating fair value of the input under (1) or (2) does not accurately reflect the benefit bestowed to the manufacturer of the merchandise under investigation, it may make adjustments to reflect a more accurate measurement of the actual benefit bestowed.	
e. Extension of deadline	Commerce is required to reach a preliminary antidumping determination within 160 days of petitioner's filing (or 210 days in extraordinarily complicated cases), and a final determination within 75 days of the preliminary determination (135 days if a majority of exporters or the petitioner request such postponement).	Where Commerce investigates diversionary input dumping, it may extend deadline for preliminary determination by 30 days. If Commerce commences diversionary input dumping investigation after preliminary determination, it may extend deadline for final determination by 30 days.	No provision.
9. Fictitious markets (sec. 336 of Senate amendment)	In investigating whether dumping is occurring, Commerce shall not take into account in determining the foreign market value of the imported goods any sale or offer for sale that is intended to establish a fictitious market.	No provision.	Provides that Commerce may consider as evidence of the establishment of a fictitious market the occurrence of different home market price movements for different forms of a product subject to an antidumping duty order if the movements appear to reduce the dumping margin.

Item	Present Law	House Bill	Senate Amendment
			Effective for investigations and reviews initiated after date of enactment and for pending reviews in which a request for revocation is pending on the date of enactment.
10. Calculation of exporter's sales price (sec. 339 of Senate amendment)	In antidumping cases where U.S. sales are made through an importer that is related to the foreign manufacturer or exporter of the merchandise under investigation, Commerce determines whether dumping is occurring by comparing the foreign market value of the merchandise under investigation to the exporter's sales price. Exporter's sales price is based on the related importer's resale price to the first unrelated U.S. purchaser, subject to certain adjustments. In calculating the exporter's sales price, Commerce is required under section 772(e)(2) to deduct selling expenses incurred in the United States by the related importer from the importer's resale price. In making adjustments for circumstances of sale, Commerce makes an offsetting deduction from foreign market value for selling expenses incurred in the home market by the foreign manufacturer or exporter. In practice, Commerce deducts the full amount of direct selling expenses from foreign market value, but limits the deduction for indirect selling expenses to no more than the amount of indirect selling expenses deducted from the exporter's sales price. (See 19 CFR 353.15.) Present law contains no provision concerning the treatment of profits in calculating exporter's sales price.	No provision.	Amends the antidumping law for cases involving exporter's sales price comparisons by (1) prohibiting Commerce from deducting any indirect selling expenses from foreign market value; and (2) requiring Commerce, in calculating exporter's sales price, to deduct profits from selling in the United States. This provision would apply to imports from countries that are signatories to the GATT Antidumping Code.

Item	Present Law	House Bill	Senate Amendment
11. Sham transactions (sec. 322 of Senate amendment)	The importer of record is liable for the payment of antidumping duties.	No provision.	Requires Commerce to direct Customs to treat the U.S. end purchaser as the importer of record solely liable for the payment of antidumping duties if Commerce finds that goods are being imported by, or for the account of, a manufacturer, producer, seller or exporter for the purpose of absorbing antidumping duties, i.e., a sham transaction. Factors to be considered in determining whether a transaction is a sham include: (1) the manufacturer or exporter has actual notice of an antidumping proceeding; (2) the transaction is an unusual method of importation for the manufacturer or exporter; and, (3) the size and nature of the exporter's commercial operations with respect to the merchandise in the U.S. is insignificant. Effective with respect to orders issued as a result of investigations initiated after date of enactment.
12. Expedited review authority (sec. 331 of Senate amendment)	In certain circumstances, Commerce is authorized to review an antidumping duty order within 90 days of its issuance, rather than waiting until an annual review. If Commerce is satisfied that, based on information presented to it, it will be able to determine, within 90 days after issuing an order, the final antidumping duties owed on imports that	No provision.	Limits circumstances in which Commerce may institute expedited reviews to cases in which: (1) the original investigation was not designated as extraordinarily complicated; (2) the final antidumping duty determination was not postponed because of a request by the exporters;

Item	Present Law	House Bill	Senate Amendment
	entered prior to an affirmative final determination by the ITC, it may allow an importer to continue posting bond, rather than depositing the estimated antidumping duties, during those 90 days. The results of the expedited review then serve as the basis of the estimated antidumping duties that must be deposited until the next review, if requested.		(3) the foreign manufacturer or exporter provides credible evidence that the dumping margin will decline as a result of the review; and (4) the review would be based on representative sales that are sufficient for purposes of comparison. Also requires Commerce to make all confidential information supplied to it for the review available under administrative protective order to interested parties and allow them an opportunity to file written comments. Effective for investigations and reviews initated after date of enactment.
13. Multiple offenders (sec. 165 of House bill; sec. 324 of Senate amendment)	No provision.	Provides procedures for monitoring and investigating dumping by foreign companies that have repeatedly been found to be dumping.	Similar provision, subject to certain differences described below.
a. Establishment of product monitoring category	No provision.	An eligible domestic entity may petition the Secretary of Commerce requesting that a product monitoring category be established.	Similar provision, but specifically states that such petitions may be filed only after an affirmative dumping determination.
(i) Contents of petition	No provision.	The petition shall include such information as the Secretary of Commerce considers necessary or appropriate, including, but not limited to, the following: A general category of products (based on the products of the foreign manufacturers subject to the antidumping action); each product (by TSUS number or other classification) within the general category that the petitioner seeks to have included in or excluded from the monitoring category	The petition shall identify the product subject to the affirmative dumping determination, and specify (including TSUS number) the merchandise that petitioner seeks to have included in, and excluded from, the product monitoring category that includes the product subject to such antidumping determination, providing reasons for such inclusion or exclusion.

Item	Present Law	House Bill	Senate Amendment
		and the reasons for inclusion or exclusion; and, any product outside the general category that the petitioner wishes included in the monitoring category.	
(ii) Sufficiency of petition	No provision.	Upon receiving a petition, Commerce shall verify the antidumping action on which it is based and determine if the petitioner is an eligible domestic entity. After doing so, Commerce shall submit the petition to the ITC.	Similar provision, except requires the ITC, rather than Commerce, to determine whether the petitioner is an eligible domestic entity.
(iii) Action by ITC	No provision.	After publishing notice and providing an opportunity for presentation of views, including a hearing if requested by any interested person, the ITC shall establish within 90 days a product monitoring category, taking into account information received. Such category shall consist of similar articles that are manufactured or produced by similar processes and that have similar uses. Upon petition by an interested party, or by its own motion, the ITC may, after providing an opportunity for comment by other interested parties, modify a product monitoring category to the extent considered necessary or appropriate.	Similar provision, except requires the ITC to ensure, in determining the scope of the product monitoring category, that it consists of similar merchandise produced by similar processes under similar circumstances and with similar uses. Does not include a reference to modifications of categories upon petition by interested parties. The ITC may modify the scope of a category at any time on its own initative, after publishing a notice of the proposed modification and providing interested parties an opportunity to submit comments and be heard.
b. Monitoring of imports			
(i) First offenders	No provision.	After a product monitoring category is established, any eligible domestic entity may request Commerce to monitor imports of any product within such category that is produced by a first offender. Commerce shall monitor such imports if it determines that there is a reasonable likelihood that dumping may occur.	No provision.

Item	Present Law	House Bill	Senate Amendment
(ii) Second offenders	No provision.	After a product monitoring category is established, Commerce must monitor all imports within that category that are produced by a second offender.	Similar to the House provision on first offenders. Upon the request of an eligible domestic entity, Commerce must monitor imports of any product within a product monitoring category that is produced by a second offender if it determines that there is a reasonable likelihood that dumping may be occurring.
(iii) Multiple offenders	No provision.	After a product monitoring category is established, Commerce must monitor all imports within that category, and imports that are in any related product category that are produced by a multiple offender.	Similar to the House provision on second offenders. Commerce must monitor all imports within a product monitoring category that are produced by a multiple offender.
c. Termination of monitoring	No provision.	No provision.	Any monitoring of imports under this section shall continue for 3 years following the initiation of such monitoring.
d. Expedited antidumping investigations	No provision.	If monitoring of a first offender results in information indicating a reasonable likelihood that a monitored product is being dumped, then Commerce must initiate an antidumping investigation on imports of such product unless a substantial proportion of U.S. manufacturers of the like or directly competitive product request that it not be initiated. If monitoring of a second offender results in information indicating a reasonable likelihood that any of the monitored products are being dumped, then Commerce must initiate antidumping investigations on imports of such products.	If the monitoring of any offender provides a reasonable likelihood that the monitored product or products are being dumped, then Commmerce must initiate an antidumping investigation on such imports unless the industry requests that no investigation be initiated. No extension of the normal time deadlines in an investigation may apply unless all U.S. manufacturers of the like product submit written notice to Commerce of their consent to such extensions.

Item	Present Law	House Bill	Senate Amendment
		If monitoring of a multiple offender results in evidence that any of the monitored products are being dumped, then Commerce must initiate antidumping investigations on imports of such products. All investigations initiated under this section shall be expedited to the maximum extent possible. Critical circumstances will be presumed. The ITC will take into account the effect on the domestic industry of previous dumping by the first, second, or multiple offender.	
e. Definitions			
(i) Antidumping offense	No provision.	Any foreign manufacturer or producer is a "first offender" under this section if a final dumping margin on a product within a product monitoring category is determined for such manufacturer or producer under any published antidumping duty order or a suspension agreement. "Second offender" -- two such margins are determined for a foreign manufacturer or producer within 10 consecutive 12-month periods. "Multiple offender" -- three or more such margins are determined for a foreign manufacturer or producer within 10 consecutive 12-month periods.	Similar to House bill, except only dumping margins of at least 10 percent are counted as "offenses," there is no time limit for counting offenses as in House bill (e.g., 10 consecutive 12-month periods), and a suspension agreement following a preliminary determination of a dumping margin of 10 percent or more is counted as an offense, rather than a suspension agreement where a final dumping margin is determined. Clarifies that only those companies that are specifically identified by name in the antidumping determination and specifically assigned a dumping margin shall be considered offenders.

Item	Present Law	House Bill	Senate Amendment
(ii) Eligible domestic entity	No provision.	An "eligible domestic entity" is a U.S. manufacturer or producer, or certified or recognized union or group of workers which is representative of a U.S. industry, that produces a product like or directly competitive with merchandise subject to an antidumping order or similar enough to such merchandise to be considered for inclusion in the same product monitoring category.	Similar provision, except includes those manufacturers or workers that produce a product that is subject to a suspension agreement as well as an antidumping order.
f. Treatment of prior offenses	No provision.	Any foreign manufacturer found to be a first offender under this section in the 10 years immediately following enactment of this Act shall be treated as a second offender if a final dumping margin on a product within the same product category had been determined for such manufacturer in an antidumping action between Jan. 1, 1980, and the date of enactment.	Similar provision, except only offenses under antidumping orders since December 31, 1980 and offenses under suspension agreements since December 31, 1984 shall be taken into account. Such offenses shall be considered to have occurred on the date of the latest determination.
14. Private remedy for persistent dumping (sec. 166 of House bill)	Section 801 of the Antidumping Act of 1916 provides for criminal and civil penalties to be imposed against any party who commonly and systematically imports articles at a price substantially less than the actual market value or wholesale price, with the intent of destroying or injuring an industry in the U.S. Civil damages may be recovered in the amount of threefold the damages sustained, and the cost of the suit, including a reasonable attorney's fee.	(a) Repeals the criminal sanctions under the 1916 Act. (b) The term "actual market value" would mean the same as "foreign market value" under the antidumping law (title VII of the Tariff Act). (c) In any civil action for damages brought under the Antidumping Act of 1916 against a "multiple offender", the fact that three or more dumping findings were made against the same foreign manufacturer would establish a rebuttable presumption of "intent to injure a U.S. industry." Damages in such a case, however, would be limited to single (not treble) damages. The presumption of intent would only be available when the plaintiff is a U.S. manufacturer of a like product.	No provision.

Item	Present Law	House Bill	Senate Amendment
15. Compensation fund for injured producers (sec. 167 of House bill)	Antidumping duties are collected and deposited in the general fund of the Treasury. In antidumping proceedings, the ITC determines whether a domestic industry is being injured by reason of dumped imports. The ITC makes no determination with respect to injury to individual producers.	A separate account, to be funded by antidumping duties, is established with respect to each antidumping order issued, to provide compensation to domestic producers who have been injured by reason of dumped imports. The Secretary of the Treasury shall be responsible for distributing the proceeds in each separate account to certified injured parties, in accordance with appropriation acts. ITC shall determine in response to applications from domestic producers whether a particular domestic producer has been injured and by what amount. ITC shall then issue a compensation award stating the amount of money payable to such producer from the appropriate account.	No provision.

Item	Present Law	House Bill	Senate Amendment
16. Material injury and threat of material injury (sec. 154 of House bill; sec. 329 and 330 of Senate amendment)			
a. Factors to consider	In determining whether there is material injury by reason of dumped or subsidized imports, ITC must consider, among other factors: (1) the volume of imports; (2) the effect of imports on prices in the United States for like products; and, (3) the impact of imports on domestic producers of like products.	Clarifies that ITC is required, in every case, to consider and explain its analysis of each of the three specified factors. The ITC may consider, on a case-by-case basis, such other economic factors as are relevant to an injury determination. If any other factor is considered, however, it must be identified and its relevance explained.	Same as House bill.
b. Evaluation of price effects	In evaluating the effect of imports on prices, the ITC must consider whether there has been significant price undercutting by imports.	Replaces "price undercutting" with "price underselling" to clarify that this provision does not require evidence of predatory pricing.	Same as House bill.
c. Evaluation of impact on domestic industry	In examining the impact on the domestic producers, ITC must consider all relevant economic factors which have a bearing on the state of the industry, including, but not limited to: (1) actual and potential decline in output, sales, market share, profits, productivity, return on investments, and utilization of capacity; (2) factors affecting domestic prices; and,	Specifies that the ITC should consider these factors in the context of the business cycle and conditions of competition that are distinctive to the affected industry.	Same as House bill, except adds an additional factor: (4) actual and potential negative effects on existing efforts of the domestic industry to develop and produce a type of product derived or developed from an earlier type of product.

Item	Present Law	House Bill	Senate Amendment
	(3) actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment.		
d. Factors to be considered by ITC in determining "threat of material injury"	ITC must consider, among other relevant economic factors: (1) if a subsidy is involved, the nature of the subsidy (particularly as to whether the subsidy is an export subsidy inconsistent with the Subsidy Code); (2) any increase in production capacity or existing unused capacity in the exporting country likely to result in a significant increase in imports of the merchandise to the United States; (3) any rapid increase in United States market penetration and the likelihood that the penetration will increase to an injurious level; (4) the probability that imports of the merchandise will enter the United States at prices that will have a depressing or suppressing effect on domestic prices of the merchandise; (5) any substantial increase in inventories of the merchandise in the United States; (6) the presence of underutilized capacity for producing the merchandise in the exporting country; (7) any other demonstrable adverse trends that indicate the probability that the importation of the merchandise (whether or not it is actually being imported at the time) will be the cause of actual injury; and (8) the potential for product-shifting.	Adds 3 additional factors for ITC to consider: (9) diversion of foreign products to the U.S. market by reason of restraints on exports of the merchandise to, or on imports of the merchandise into, third country markets; (10) in an antidumping case, the extent to which the foreign merchandise has been sold at less than fair value in other markets, as evidenced by antidumping orders or findings in other GATT member markets (if the foreign manufacturer, exporter, or U.S. importer does not provide specific and convincing information to establish there is no threat of injury, the ITC may draw adverse inferences); (11) in investigations involving both raw and processed agricultural products, the likelihood of increased imports by reason of product-shifting (due to an order being imposed on one product but not the other).	No Senate counterpart to provision (9). Contains provisions similar to (10) and (11), except for the portion of (10) relating to drawing of adverse inferences. Adds an additional threat factor: The actual and potential negative effects on existing efforts of the domestic industry to develop and produce a type of product derived or developed from an earlier type of product.

Item	Present Law	House Bill	Senate Amendment
e. Cumulation			
(i) Material injury	In determining material injury in any antidumping or countervailing duty investigation, ITC must cumulatively assess the volume and price effects of imports from two or more countries subject to investigation if such products compete with each other and with like products of the domestic industry.	Explicitly mandates cumulation of subsidized imports with dumped imports. In determining material injury, ITC must cumulatively assess the volume and price effects of imports from two or more countries if such imports are either (a) currently subject to any antidumping or countervailing duty investigation, or (b) within the past 12 months, subject to any antidumping or countervailing duty investigation which resulted in a final order, suspension agreement, or termination based on a quantitative restraint agreement. Retains the requirement that such imports, to be cumulated, must compete with each other and with like products of the domestic industry.	No provision.
(ii) Threat of material injury	No provision.	In determining threat of material injury, ITC must, to the extent practicable, cumulatively assess the volume and price effects of imports from two or more countries if such imports are currently subject to any antidumping or countervailing duty investigation, and such imports compete with each other and with like products of the domestic industry.	No provision.
(iii) Negligible imports exception	No provision.	Provides a limited exception to mandatory cumulation with respect to negligible imports. Authorizes ITC to exclude imports from a particular country from its cumulative injury assessment if such imports are negligible and have no discernible adverse impact on the domestic industry. In determining whether imports	No provision.

77-750 0 - 87 - 11

Item	Present Law	House Bill	Senate Amendment
		from a particular country are negligible, ITC shall examine all relevant economic factors, including the following: (1) whether the volume and market share of such imports are negligible: (2) whether sales transactions involving such imports are isolated and sporadic; and, (3) whether the U.S. market for the like product is price sensitive by reason of the nature of the product, so that a small quantity of imports can result in price suppression or depression.	
f. Geographically isolated markets	No provision.	In determining whether material injury, the threat of material injury, or the material retardation of the establishment of an industry exists, the Commission may consider whether imports have historically supplied a substantial proportion of demand in a geographically isolated market, and, in appropriate circumstances, may disregard imports into such a geographically isolated market in making its determination. A geographically isolated market is defined as one in which: (1) producers located within such market have not supplied demand in that market to any substantial degree in the most recent representative period, and there is no reasonable likelihood that they will do so in the future;	No provision.

Item	Present Law	House Bill	Senate Amendment
		(2) producers have made no significant effort as measured by capital investment in plant and equipment, or in distribution and marketing, within a reasonably recent period, to meet demand in that market, and there is no reasonable likelihood that they will do so in the future; and, (3) producers located outside the area have historically not met demand within the region at prices reasonably equivalent to prices prevailing elsewhere in the United States because of transportation, insurance, or other costs which would be incurred to ship the product to or market the product in the geographically isolated market.	
g. Effective date			Effective for investigations and reviews initiated after date of enactment.
17. Injury test for certain duty-free merchandise (sec. 168 of House bill)	Commerce may impose countervailing duties on duty-free merchandise that is not the product of a country under the GATT Agreement on Subsidies and Countervailing Measures only if there is an affirmative ITC material injury determination, unless such a determination is not required by U.S. international obligations. No specific provision on the authority and procedure for the ITC to perform an investigation in cases where the requirement of an injury test arises after a countervailing duty order has been issued or while a countervailing duty case is pending.	Whenever Commerce notifies the ITC that an outstanding countervailing duty order or pending investigation applies to duty-free merchandise without an injury test and U.S. international obligations, as determined by the USTR, require an injury determination, the ITC shall make an injury determination within 180 days. If the ITC finds material injury, the order would remain in effect; if the injury determination is negative, the countervailing duty order would be revoked.	No provision.

Item	Present Law	House Bill	Senate Amendment
18. Anticircumvention			
a. Assembly or finishing operations in the United States (sec. 155 of House bill; sec. 323(a) of Senate amendment)	No provision.	Addresses two types of circumvention of antidumping findings or orders and countervailing duty orders ("orders"): (1) the importation of parts or components to be assembled in the U.S. into the class or kind of merchandise covered by the order; and (2) the importation of an incomplete or unfinished article to be completed in the U.S. (by means other than assembly) into the class or kind of merchandise covered by the order. In both situations the order which covers the completed article from a particular country or countries shall apply to the imported parts or components, provided that: (a) substantially all of the parts or components are imported from the country subject to the finding; (b) the value added in the U.S. is small; and, (c) the parts or components were produced by a company related to the company performing the U.S. operations.	Similar provision to the House bill, except the authority is discretionary (e.g., Commerce may apply the order to the imported parts or components but is not required to do so), and provisos (a) and (c) in the House bill are dropped. In determining whether to apply the order to the imported parts or components, Commerce shall take into account the pattern of trade, whether the foreign and U.S. companies are related, and whether imports of the parts or components increased after issuance of the order on the final product.

Item	Present Law	House Bill	Senate Amendment
b. Assembly or finishing operations in a third country (sec. 155 of House bill; sec. 323(a) of Senate amendment)	No provision.	Permits Commerce to prevent evasion of an order by shipment of merchandise to the U.S. through a third country, when certain conditions are met. When Commerce finds such action appropriate to prevent significant evasion of an antidumping or countervailing duty order, Commerce may include in such order imports of merchandise of the same class or kind subject to the order that was completed or assembled in a third country, provided that: (1) substantially all of the parts or components are imported from the country subject to the order; (2) the value added in the U.S. is small; and (3) the parts or components were produced by a company related to the company performing the U.S. operations.	Similar provision to House bill, except provision applies when Commerce finds such action appropriate to prevent evasion, rather than significant evasion, provisos (1) and (3) in the House bill are dropped, and it is made explicit that the provision applies both in cases where the order is on the merchandise shipped to the third country for completion or assembly (diversion) and where the order is on a final product, parts and components of which are sent from the country subject to the order to the third country for assembly or completion (circumvention). In determining whether to apply the order to the imported merchandise from the third country, Commerce shall take into acccount whether the foreign manufacturers are related, the pattern of trade, and whether imports of the merchandise from the third country increased after issuance of the order.
c. Minor alterations (sec. 155 of House bill; sec. 323(a) of Senate amendment)	No provision.	Addresses the practice whereby a foreign producer alters the merchandise in minor respects in form or appearance to circumvent an outstanding order. An order on an article presumptively includes articles altered in minor respects in form or appearance (including raw agricultural products that have undergone minor processing), whether or not they remain in the same tariff classification, unless Commerce determines it unnecessary to do so.	Similar provision, except does not include reference to agricultural products.

Item	Present Law	House Bill	Senate Amendment
d. Later developed products (sec. 323(a) of Senate amendment)	No provision.	No provision.	Addresses the application of outstanding antidumping and countervailing duty orders to merchandise that is essentially the same as merchandise subject to an order but was developed after the original investigation was initiated. Requires Commerce, in determining whether the later-developed product is within the scope of the existing order, to consider whether the original and later-developed products are the same or similar with respect to general physical characteristics, the expectations of the ultimate purchasers, their ultimate use, channels of trade, and advertisement and display. Prohibits Commerce from excluding a later-developed product from the order merely because it is classified under a different item of the tariff schedules or adds functions, unless the additional functions constitute the primary use of the product and are more than a significant proportion of the production cost.
e. Steel imports (sec. 195 of House bill; sec. 323(b) of Senate amendment)	Under the Steel Import Stabilization Act (title VIII of the Trade and Tariff Act of 1984), the President is authorized to enforce quantitative restrictions on steel imports, as provided in bilateral arrangements with steel-exporting countries. At the present time, the U.S. has bilateral arrangements with 18 countries plus the European Community. These agreements generally provide for the enforcement of quantitative restrictions by means of export visas issued by the foreign government.	(1) Provides explicit authority to enforce quantitative restrictions on steel imports when the steel product is exported from an arrangement country and transshipped or transformed in a nonarrangement country before entering the U.S. Any steel product that is manufactured in a country that is not party to a bilateral arrangement (a "nonarrangement country") from steel which is melted and poured in a country that is party to a bilateral arrangement (an "arrangement country") may be treated for purposes of the quantitative restrictions under that arrangement	(1) Similar provision except the President, rather than the Secretary of Commerce, may direct the Secretary of the Treasury to implement procedures.

Item	Present Law	House Bill	Senate Amendment
		as if it were a product of the arrangement country. The Secretary of Commerce, after consultation with USTR, may direct the Secretary of the Treasury to implement procedures to carry out this provision.	
		(2) No provision.	(2) Authorizes USTR, consistent with the "third country equity provision" of a bilateral arrangement on steel imports, to take such actions as deemed necessary with respect to steel imports from other countries to ensure the effectiveness of any portion of such arrangement.
19. Downstream product monitoring (sec. 164 of House bill; sec. 323(a) of Senate amendment)	No directly comparable provision.	Adds new procedures for the monitoring of imports (on a volume basis) of downstream products in order to identify potential diversionary practices resulting from significant antidumping or countervailing duties on component parts.	Similar provision, subject to certain additional conditions.
a. Definitions	(1) No provision.	(1) "Component part" is any imported product which has been subject to an antidumping or countervailing duty order imposing a duty of 15 percent or more within the past 5 years (or a suspension or termination agreement after a preliminary finding of 15 percent or more), and which, because of its inherent characteristics, is routinely used as a major part, component, assembly, subassembly, or material in other manufactured articles.	(1) Similar definition, but includes as component parts products subject to orders under section 303 as well as under title VII.
	(2) No provision.	(2) "Downstream product" is any imported manufactured article into which is incorporated any component part.	(2) Same as House bill.

Item	Present Law	House Bill	Senate Amendment
b. Petitions	No provision.	Domestic producers of component parts of downstream products may petition the Commerce Department to designate a downstream product for monitoring. Such petition must identify the downstream product to be monitored, the relevant component part, and the reasons for suspecting the likely diversion of foreign exports of the component part into increased exports of the downstream product.	Same as House bill.
c. Designation by Commerce	No provision.	Within 14 days of the petition, the Commerce Department must determine whether there is a reasonable likelihood that imports of the downstream product will increase as an indirect result of any diversion with respect to component parts. Commerce may, if appropriate, take into account such factors as: (1) the value of the component part in relation to the value of the downstream product; (2) the extent to which substantial transformation has taken place; and, (3) the relationship between the producers of the component parts and the downstream products. Commerce determinations shall not be subject to judicial review.	Similar provision, but adds requirement that one of the following conditions apply: (1) the component part is already being monitored under a bilateral agreement to limit steel imports; (2) there have been a significant number of investigations or orders issued against products related to, and from the same foreign country as, the component part; or, (3) there have been two or more investigations or orders issued against products similar in description and use to the component part that were manufactured or exported by the manufacturer or exporter of the component part.
d. Monitoring by ITC		Upon designation by Commerce of a downstream product, the ITC shall immediately commence monitoring the volume of trade in such downstream product, and publish quarterly reports thereon. If the ITC finds that imports increased by 5 percent or more during any quarter, then the ITC must analyze such increase in the context	Similar provision, but requires monitoring of trade, rather than <u>volume</u> of trade.

Item	Present Law	House Bill	Senate Amendment
		of overall economic conditions in that product sector.	
e. Subsequent action by Commerce	No provision.	(1) Commerce must consider the ITC monitoring reports in determining whether to initiate an antidumping or countervailing duty investigation with respect to a downstream product.	(1) Same as House bill.
		(2) Commerce shall request the ITC to stop monitoring a downstream product if the ITC reports indicate that imports are not increasing and there is no longer a reasonable likelihood of diversion.	(2) Same as House bill.
20. Processed agricultural products (sec. 152 of House bill; sec. 326 of Senate amendment)			
a. Definition of domestic industry	Section 771(4) defines "industry" as the domestic producers as a whole of a like product, or those producers whose collective output of the like product constitutes a major proportion of the total domestic production of that product. The term "like product" in turn means a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to investigation.	In antidumping and countervailing duty investigations involving a processed agricultural product, the ITC may include producers or growers of the raw agricultural product as part of the domestic industry producing the processed product if two conditions exist: (1) the processed agricultural product is produced from the raw agricultural product through a single continuous line of production; and, (2) there is a substantial coincidence of economic interest between the producers of the raw agricultural product and the producers of the processed agricultural product based upon relevant economic factors, which may	Same as House bill. Effective for investigations and reviews initiated after date of enactment.

Item	Present Law	House Bill	Senate Amendment
		include price, added market value, or other economic interrelationships (regardless of whether they are based on any legal relationship).	
b. Threat of material injury	Section 771(7)(F) lists specific factors which the ITC must consider in determining threat of material injury, including the potential for product-shifting.	Adds as an additional factor to be considered in investigations involving both raw and processed agricultural products, the likelihood of increased imports by reason of product-shifting (due to an order being imposed on one product but not the other).	Same as House bill.
c. Standing	The following interested parties have standing to file an antidumping or countervailing duty petition on behalf of an industry: (1) a manufacturer, producer, or wholesaler in the U.S. of a like product; (2) a certified union or recognized union or group of workers which is representative of an industry engaged in the manufacture, production, or wholesale in the U.S. of a like product; (3) a trade or business association a majority of whose members manufacture, produce, or wholesale a like product in the U.S.; and (4) an association, a majority of whose members is composed of interested parties described above.	In investigations involving a processed agricultural product, expands the definition of interested parties who have standing to file a petition to include a coalition or trade association which is representative of either processors or processors and producers.	Same as House bill. Effective for investigations and reviews initiated after date of enactment.

Item	Present Law	House Bill	Senate Amendment
21. Critical circumstances (sec. 321 of Senate amendment)	If petitioner alleges critical circumstances at any time more than 20 days before a final antidumping or countervailing duty determination, Commerce shall promptly determine, based on the best information available, whether there is a reasonable basis to believe that: (1)(a) in a countervailing duty case, the alleged subsidy is inconsistent with the GATT Subsidies Code; or, (b) in an antidumping case, there is a history of dumping of the merchandise, or the importer knew (or should have known) that the imports were being dumped; and, (2) there have been massive imports of the product under investigation over a short period of time. Antidumping/countervailing duties will be applied retroactively to unliquidated imports entered after the date 90 days prior to the preliminary antidumping/countervailing duty determination, if Commerce finds critical circumstances in its final determination and the ITC finds in its final affirmative injury determination that: (1) in a countervailing duty investigation there is material injury that will be difficult to repair, and the material injury was by reason of the massive imports of the subsidized merchandise over a relatively short period; or, (2) in an antidumping investigation, the material injury is by reason of such massive imports to an extent that in order to prevent such injury from recurring, it	No provision.	Authorizes Commerce, if it has a reasonable basis to suspect that critical circumstances may exist, to request that the Customs Service compile statistics on an expedited basis on the volume and value of the imports subject to investigation and forward such information to Commerce as directed, but at least every 30 days. Clarifies that Commerce has the authority to make a preliminary determination of critical circumstances at any time after initiation of an investigation. Amends standard used by ITC to determine whether critical circumstances exist. If Commerce finds critical circumstances, ITC would determine whether retroactive imposition of antidumping or countervailing duties appears necessary to prevent recurrence of material injury that was caused by massive imports over a relatively short period of time and, in countervailing duty cases, that will be difficult to repair. In making this determination, the ITC shall consider whether: (1) massive imports over a relatively short period of time can be accounted for by efforts to avoid the potential imposition of antidumping or countervailing duties; (2) foreign economic conditions led to massive imports; (3) such foreign economic conditions are likely to persist; and, (4) the impact of the massive imports is likely to continue after issuance of an antidumping or countervailing duty order.

Item	Present Law	House Bill	Senate Amendment
	is necessary to impose antidumping duties retroactively.		Effective for investigations initiated after date of enactment.
22. Certification of submissions (sec. 161 of House bill; sec. 328 of Senate amendment)	No provision.	Adds a new section to require any person submitting factual information in an antidumping or countervailing duty proceeding to certify that such information is accurate and complete to the best of that person's knowledge.	Same as House bill. Effective for investigations and reviews initiated after date of enactment.
23. Access to information (sec. 158 of House bill; sec. 327 of Senate amendment)	Section 777 sets forth procedures for interested parties to submit, and to obtain access to, information involved in an antidumping or countervailing duty proceeding. Permits, but does not require, release by the Commerce Department or the ITC of information submitted by a party to the investigation. Allows petition to the Court of International Trade for an order directing Commerce or ITC to make information available, but authority to make such order to ITC is limited to information that was submitted by the petitioner or an interested party in support of the petitioner concerning domestic price or cost of production.	Amends section 777: (1) to permit release of all confidential information under an administrative protective order, except privileged or classified information or information of a type deemed not appropriate for release; (2) to impose reasonable time limits on decisions on releasability of information; (3) to require Commerce to return information submitted by a person who refuses to make it available under protective order; (4) to require service of information to all parties to a proceeding; and (5) to require submission of information on a timely basis within a reasonable deadline, with a reasonable period for comment by other parties. Only (1) is applicable to both agencies; (2) - (5) apply only to Commerce.	Amends section 777 with respect to proceedings before the ITC: (1) to require the ITC to make proprietary information submitted by any person in connection with an investigation available under administrative protective order; and (2) to allow application to the Court of International Trade for an order directing the ITC to make the information available (removes the limitation restricting such application).
24. Explanation of Commerce rulings (sec. 162 of House bill)	No provision.	Requires Commerce to include in its notices of final antidumping and countervailing duty determinations, or reviews of such determinations, an explanation of any significant deviation in the determination from established administrative precedent.	No provision.

Item	Present Law	House Bill	Senate Amendment
25. Correction of errors (sec. 163 of House bill)	No provision.	Requires Commerce to establish procedures for the correction of ministerial errors (i.e., mathematical or clerical errors or other unintentional errors), within a reasonable time after final determinations, or review of such determinations, and to ensure that interested parties have an opportunity to present their views regarding such errors.	No provision.
26. Drawback treatment (sec. 159 of House bill)	Duties paid on imported merchandise which is used in the manufacture of goods for export, may be refunded upon the exportation of such goods. To receive benefit of drawback, the completed article must have been exported within five years of the date of importation of the relevant duty-paid merchandise. The amount of refund is equal to 99 percent of the duties attributable to the foreign, duty-paid content of the exported article. Both antidumping and countervailing duties are treated as regular custom duties and thus are eligible for drawback.	Amends section 779 to prohibit antidumping and countervailing duties paid on imported merchandise from being eligible for refund under drawback provisions.	No provision.
27. Governmental importations (sec. 160 of House bill; sec. 332 of Senate amendment)	Under schedule 8 of the Tariff Schedules, U.S. governmental importations are not subject to regular customs duties.	Adds a new paragraph to section 771 to clarify that merchandise imported by, or for the use of, the U.S. Government is not exempt from antidumping and countervailing duties.	Similar provision, but exempts from the general rule: (1) merchandise imported by, or for the use of, the Department of Defense that is subject to any preexisting Department of Defense Memorandum of Understanding; and (2) governmental importations of merchandise which is normally purchased only by governments (e.g., certain military equipment).

77-750 0 - 87 - 12

Item	Present Law	House Bill	Senate Amendment
28. Application of countervailing duty and anti-dumping laws to imports of technical books (sec. 340 of Senate amendment)	No provision in the antidumping and countervailing duty laws. The Florence Agreement, as implemented in U.S. law by the Educational, Scientific and Cultural Material Importation Act of 1966, grants duty-free treatment to technical books as well as other printed material.	No provision.	Provides that technical publications that receive duty-free treatment pursuant to the Florence Agreement and that are primarily commercial rather than educational in nature are not exempt from the provisions of the antidumping and countervailing duty laws.
29. Commerce study on China's reforms (sec. 169(a) of House bill; sec. 973 of Senate amendment)	No provision.	Requires Commerce to study and report to Congress within 12 months on the new market orientation of the People's Republic of China. The study shall address the effect of the new orientation on market policies, price structure and the relationship between domestic Chinese prices and world prices, and the application of U.S. trade laws to China, including any possible need for changes in U.S. antidumping law to deal more appropriately with countries in transition to more market-oriented economies.	Same as House bill.

PROTECTION OF INTELLECTUAL PROPERTY RIGHTS

Item	Present Law	House Bill	Senate Amendment
1. Findings and purpose (sec. 171 of House bill)		General findings and purposes on the importance of intellectual property rights protection and the need to improve such protection domestically and internationally.	A similar provision in the Senate amendment (section 416) is included in Subconference #2.
2. Injury (sec. 172(a) of House bill; sec. 401(a) of Senate amendment)	Section 337 of the Tariff Act of 1930 provides for relief against unfair methods of competition and unfair acts in the importation of articles into the United States or in their sale. In order to obtain relief for violations of section 337, a complainant must show, in addition to an unfair act, substantial injury or tendency to substantially injure a U.S. industry, or prevention of the establishment of a U.S. industry.	Removes the requirement to prove injury, but only with regard to certain intellectual property rights (patents, copyrights, registered trademarks, and mask works) cases.	Same as House bill, except that with regard to cases in which injury requirement is maintained, adds impairment of, as well as the prevention of, the establishment of an industry.
3. Industry (sec. 172(a) of House bill; sec. 401(a) of Senate amendment)			
(a) "Efficiently and economically operated"	The injury must be shown to have occurred to an "industry efficiently and economically operated in the United States."	Retains the requirement to demonstrate that an industry exists or is in the process of being established in the United States but removes the requirement to demonstrate that it is "efficiently and economically operated."	Same as House bill.

Item	Present Law	House Bill	Senate Amendment
(b) Definition	No specific definition of the term "industry."	In cases involving copyrights, patents, trademarks, and mask works, specifically defines industry to include -- (1) significant investment in plant and equipment; (2) significant employment of labor or capital; or (3) substantial investment in exploitation of the intellectual property right, including engineering, research and development, or licensing.	Same as House bill, except the industry definition also applies to common-law trademarks and trade secrets.
4. Termination of investigation by consent order or settlement agreement (sec. 172(a) of House bill; sec. 401(a) of Senate amendment)	Section 337 does not explicitly provide authority to terminate investigations on the basis of a consent order or settlement agreement, although the Commission follows such procedures in practice.	Makes explicit the Commission's authority to terminate investigations on the basis of a consent order or settlement agreement.	Same as House bill.
5. Time limits for temporary exclusion orders (sec. 172(a) of House bill; sec. 401(a) of Senate amendment)	Under section 337 the Commission is empowered to issue temporary exclusion orders prohibiting the entry of merchandise (except under bond) during the pendency of an investigation. There are no time limits for the issuance of temporary exclusion orders (ITC rules provide a 7-month deadline).	Requires determinations by Commission on petitions for temporary exclusion orders within 90 days after case is initiated (plus 60 additional days in more complicated cases). Additionally, the House provision provides for forfeiture of the bond to the respondent in those cases where respondent did not violate section 337. The House provision also requires the ITC to prescribe rules when the bond should be forfeited.	Same as House bill, except it does not have the provisions relating to forfeiture of the bond.
6. Cease and desist orders (sec. 172(a) of House bill; sec. 401(a) of Senate amendment)	Section 337(f) provides for the Commission's use of cease and desist orders "in lieu of" the exclusion of articles.	Clarifies that cease and desist orders may be used "in addition to or in lieu of" exclusion.	Same as House bill.

Item	Present Law	House Bill	Senate Amendment
	Maximum daily penalties for the violation of such orders are set at the greater of $10,000 or the domestic value of the articles.	Increases the maximum daily penalty for violation of such orders to the greater of $10,000 or twice the domestic value of the articles.	Maximum civil penalty would be $100,000 or the domestic value of the articles.
7. Default provisions (sec. 172(a) of House bill; sec. 401(a) of Senate amendment)	There is no default provision in section 337. Commission requires petitioner to establish prima facie case if respondent fails to appear.	Provides that, when a respondent fails to appear, the ITC shall presume the facts alleged in the complaint to be true and issue appropriate relief solely against that person. If no respondent contests the investigation, and violation is established by substantial, reliable, and probative evidence, a general exclusion order may be issued.	Same as House bill.
8. Abuse of discovery (sec. 172(a) of House bill; sec. 401(a) of Senate amendment)	Section 337 does not authorize sanctions for abuse of discovery or abuse of process.	Authorizes the Commission by rule to prescribe sanctions for abuse of discovery and abuse of process to the extent authorized by Rules 11 and 37 of the Federal Rules of Civil Procedure.	Same as House bill.
9. Modification or rescission of section 337 orders (sec. 172(a) of House bill; sec. 401(a) of Senate amendment)	Section 337 does not provide specifically for modification or rescission, but does provide that exclusion orders remain in effect until Commission finds, and so notifies Treasury, that conditions which led to exclusion no longer exist.	Provides that when a person previously found in violation petitions Commission for a determination that he is no longer in violation or for a modification or rescission of an order-- (1) the burden of proof is on petitioner, and (2) relief may be granted only on the basis of new evidence or evidence that could not have been presented earlier, or on grounds which would permit relief under Federal Rules of Civil Procedure.	Same as House bill, except that the provision applies only to a person previously found in violation in a contested case.

	Item	Present Law	House Bill	Senate Amendment
10.	U.S. Government Importation (sec. 172(a) of House bill; sec. 401(a) of Senate amendment)	Importations by or for the use of the U.S. Government are exempt from ITC exclusion orders in cases based on patent claims. Patent owners are entitled to compensation.	Broadens exemption to include copyrights, registered trademarks, or mask works.	Broadens exemption to include copyrights, trademarks, trade secrets, and mask works.
11.	Confidential information (sec. 172(a) of House bill; sec. 401(a) of Senate amendment)	There is no provision in section 337 for the treatment of confidential information, but current ITC practice is in accord with the House bill and Senate amendment.	Provides that information submitted to the Commission and designated confidential shall not be disclosed without the consent of submitting party except under protective order or to those officers or employees of the Commission, the U.S. Government, or the U.S. Customs Service who are directly involved in the case.	Same as House bill, except that persons engaged in the Presidential review process are not included in list of those entitled to disclosure.
12.	Review of ITC determination (sec. 172(a) of House bill)	If the ITC determines that there is a violation of section 337, the determination is transmitted to the President for his review. Within 60 days of receiving the determination, the President may act to disapprove it.	Authority to review and disapprove ITC determinations and proposed actions is transferred to the USTR.	Retains present law.
13.	Seizure and forfeiture (sec. 401(a) of Senate amendment)	No provision.	No provision.	Allows ITC to order seizure and forfeiture of an article that is subject to an exclusion order when: the owner, importer, or consignee has previously attempted to import the article; it was previously denied entry; and the Secretary of the Treasury provided notice that a further attempt to enter the article would result in seizure and forfeiture.

Item	Present Law	House Bill	Senate Amendment
1. Identification of priority foreign countries (sec. 173(a) of House bill; sec. 302(a) of Senate amendment)	No provision.	The USTR shall, within 30 days after issuing the annual section 181 report, identify "priority foreign countries" that deny adequate and effective protection of intellectual property rights. The USTR may at any time revoke the identification of priority foreign countries or add countries not previously identified if subsequent information indicates there is a change in circumstances. For purposes of identifying priority foreign countries, the USTR shall select only those countries -- (1) that have the most egregious acts, policies, or practices that deny adequate and effective protection of intellectual property rights; (2) whose acts, policies, or practices of denying adequate and effective protection have the greatest adverse impact in their own or other potential markets for the relevant U.S. products; and (3) are not entering into good faith negotiations or are not making significant progress in bilateral or multilateral negotiations to provide adequate and effective protection of intellectual property rights.	Same as House bill, except Senate amendment also applies to countries that deny fair and equitable market access to U.S. persons that rely upon intellectual property protection. With respect to revocation of an identification, the Senate amendment requires the USTR to submit to the Congress a written report setting forth the reasons. For purposes of identifying priority foreign countries, the USTR shall take into account -- (1) the onerous nature and significance of foreign acts, policies, and practices; (2) the potential foreign market size; and (3) the estimated trade-distorting impact on U.S. commerce of the foreign acts, policies, and practices.

Item	Present Law	House Bill	Senate Amendment
		The USTR shall base its identification of foreign priority countries on information in the annual section 181 report; petitions filed under section 301; or other information available or submitted by interested parties to the USTR. The USTP also must consult with the Register of Copyrights, the Commissioner of Patents and Trademarks, and other appropriate U.S. Government officials in making such identifications.	Same as House bill, except the USTR is not required to consult with the Register of Copyrights and other U.S. Government officials.
2. Definitions	No provision.	No provision.	The term "persons that rely upon intellectual property protection" means individuals, corporations, partnerships, joint ventures, or other business organizations involved in: the creation, production or licensing of literary or artistic works that are copyrighted, or the manufacture of products that are patented or for which there are process patents. The term "adequate and effective protection of intellectual property" means that a country provides adequate and effective means under its law for foreign persons to secure, to exercise and to enforce rights in all forms of intellectual property, including patents, process patents, trademarks, copyrights, mask works, trade secrets, and proprietary technical data.

Item	Present Law	House Bill	Senate Amendment
3. Section 301 investigations (sec. 173(b) of House bill; sec. 305(a) of Senate amendment)			
(a) Self-initiation	Section 302(b) authorizes the USTR to self-initiate section 301 investigations after consulting with appropriate private sector advisory committees.	The USTR shall promptly self-initiate section 301 investigations on each priority foreign country, unless he determines that initiation with respect to a particular country would be detrimental to the U.S. national economic interest. If the USTR determines not to self-initiate, he must report promptly in writing to the Congress detailed reasons for the determination, including the U.S. economic interests which would be affected adversely by self-initiation of an investigation.	Same as House bill, except self-initiation must take place within 30 days of identification of priority countries; and self-initiation also may be waived if the foreign country has entered into good faith negotiations and substantial and timely progress is being made. Same as House bill, except the report also must specify, if appropriate, the progress being made in negotiations.
(b) Consultations		Prior to and during section 301 investigations, the USTR shall consult with the Copyright Office, the Office of Patents and Trademarks, and other appropriate agencies. (Other procedures for section 301 investigations apply.)	Same as House bill.
(c) Time limits (sec. 173(c) of House bill; sec. 306(a) of Senate amendment)	Section 304(a) requires the USTR to make a recommendation to the President within 12 months after initiating an investigation.	Requires the USTR to make a determination and decision under section 304 on what action, if any, he should take under section 301 with respect to each priority foreign country within 6 months after the date of initiation.	Requires the USTR to make a determination under section 304 within 6 months after the date of initiation.

Item	Present Law	House Bill	Senate Amendment
		The USTR may extend the time period for making the determination and recommendation to the President by up to 6 months on any priority foreign country if— (1) complex or complicated issues are involved that require additional time; (2) the country is making substantial progress in drafting or implementing legislative or administrative measures to provide adequate and effective protection of intellectual property rights; or (3) the country is undertaking enforcement measures to provide adequate and effective protection of intellectual property rights.	Date for the USTR determination may be extended for same reasons as in the House bill, except the time period may be extended only an additional 3 months in these exceptional circumstances. The USTR recommendation to the President on the action, if any, to be taken, is to be made at least 30 days before the President is required to take action.
3. Section 301 action (sec. 121 of House bill; sec. 306(a) of Senate amendment)	Section 301(e) defines as an "unreasonable" act, policy, or practice the denial of adequate and effective protection of intellectual property rights. The President, if he determines that action by the United States is appropriate, shall take all appropriate and feasible action within his power to obtain the elimination of the act, policy, or practice.	As in other section 301 cases, requires the USTR, subject to the specific direction, if any, of the President, to implement section 301 action within 30 days of decision to take action. See separate description under section 301 of further procedural and remedial provisions (applicable to all section 301 cases).	Requires the President to act within 30 days after an affirmative determination, or 4 months after an affirmative determination in exceptional circumstances investigations. See separate description under section 301 of further procedural and remedial provisions (applicable to all section 301 cases).

Item	Present Law	House Bill	Senate Amendment
1. Office of the U.S. Trade Representative			
a. Trade policy functions (sec. 181 of House bill)	The Office of the U.S. Trade Representative is established under section 141 of the Trade Act of 1974 in the Executive Office of the President-- (1) to be the chief U.S. representative for trade negotiations; (2) to report directly and be responsible to the President and the Congress on the administration of the trade agreements program; (3) to advise the President and the Congress on matters related to the trade agreements program; and (4) to chair the interagency trade organization.	Adds the functions enumerated in the Reorganization Plan of 1979: The USTR shall-- (1) have primary responsibility for developing and coordinating implementation of U.S. international trade policy; (2) serve as the principal advisor to the President on international trade policy and advise the President on the impact of other U.S. Government policies on international trade; (3) have lead responsibility for the conduct of, and be chief U.S. representative for, international trade negotiations; (4) issue and coordinate trade policy guidance to other agencies; (5) act as principal international trade spokesman of the President; (6) report directly and be responsible to the President and the Congress on the administration of the trade agreements program; (7) advise the President and the Congress on nontariff barriers, international commodity agreements, and other matters related to the trade agreements program; (8) make reports to the Congress on trade negotiations and the trade agreements program;	No provision.

Item	Present Law	House Bill	Senate Amendment
		(9) be chairman of the interagency trade organization, and consult with and be advised by that organization in performing his functions; and (10) in addition to powers and authorities currently delegated, be responsible for such other functions as the President may direct.	
		Expresses the sense of the Congress that the USTR should: -- be the senior representative on any body the President may establish to provide him advice on overall economic policies in which international trade matters predominate; and -- be included as a participant in all economic summit and other international meetings at which international trade is a major topic.	No provision.
b. Office of Unfair Trade Investigations (sec. 181 of House bill)	No provision. The Office of General Counsel of the USTR administers USTR section 301 functions, including coordination of interagency support through a section 301 subcommittee of the interagency trade organization.	Establishes an Office of Unfair Trade Investigations in the USTR-- (1) to coordinate the application of interagency resources to specific unfair trade practice cases; (2) to prepare the annual foreign trade barriers (NTE) report, assisted by an interagency advisory committee chaired by USTR and consisting of senior representatives from specified sections of the Departments of State, Commerce, and Agriculture; and (3) to identify and refer to the appropriate administering authority for consideration of action (including discretionary self-initiation) of each foreign	No provision.

act, policy, or practice, identified in the annual report or otherwise known to the Office from other available information, that may be an unfair trade practice that either:

-- is considered to be inconsistent with a trade agreement and has a significant adverse impact on U.S. commerce; or
-- has a significant adverse impact on domestic firms or industries too small or financially weak to initiate cases under the trade laws.

USTR must submit an annual report to the Committees on Ways and Means and Finance describing each referral and any action taken.

(4) to identify foreign practices having a significant adverse impact on U.S. commerce that attainment of U.S. negotiating objectives would eliminate; and

(5) to identify, on a biennial basis, U.S. Government policies and practices that may constitute unfair trade practices under U.S. laws.

"Unfair trade practices" include acts, policies, or practices that may be subsidies subject to the countervailing duty law; dumping subject to the anti-dumping law; unfair methods of competition or acts, subject to section 337; or that may be actionable under section 301.

77-750 0 - 87 - 13

Item	Present Law	House Bill	Senate Amendment
c. Transfer of GSP authority (sec. 182 of House bill)	The President is authorized to designate beneficiary developing countries and eligible articles to receive duty-free treatment under the Generalized System of Preferences (GSP) program. All other authorities, determinations, and functions under the GSP program also reside with the President.	Transfers all authorities, determinations, and other functions under GSP from the President to the USTR.	No provision.
2. Interagency trade organization (sec. 181 of House bill)	The President must establish an interagency trade organization (the Trade Policy Committee structure) consisting of the USTR and heads of other agencies as the President designates, to assist him in carrying out his trade functions. The organization may invite the participation of any agency not represented when matters of its interest are under consideration.	Specifies that the interagency trade organization will be composed of the USTR as chair, and the Secretaries of Commerce, State, Treasury, Agriculture, and Labor. USTR may invite other agencies, as appropriate, to attend particular meetings if subjects of specific functional interest to such agencies are under consideration. The functions of the organization are-- (1) to assist and make recommendations to the President in carrying out his functions under the trade laws and to advise the USTR in carrying out his functions: (2) to assist the President and advise the USTR on the development and implementation of U.S. international trade policy objectives; and (3) to advise the President and the USTR on the relationship between U.S. international trade policy objectives and other major policy areas which may significantly affect U.S. overall international trade policy and trade competitiveness. Requires the organization, in carrying out its functions, to take into account the advice of Congressional and private sector advisers.	No provision.

Item	Present Law	House Bill	Senate Amendment
		Expresses the sense of the Congress that this statutory organization should be the principal interagency forum within the Executive branch on international trade policy matters.	No provision.
3. U.S. International Trade Commission			
a. Import monitoring (sec. 185 of House bill)	No provision.	Directs the U.S. International Trade Commission to monitor imports into the United States in order to identify, rank, and analyze product sectors for which imports are likely to pose potential significant trade impact problems for U.S. industries. The Commission is directed to take into account such factors as changing net trade balances and evidence of increasing domestic market penetration with respect to such product sectors and to submit a quarterly report containing such analysis to the Committee on Ways and Means and the Committee on Finance.	No provision.
b. Reports on sectoral competitiveness (sec. 185 of House bill)	Section 332 of the Tariff Act of 1930 authorizes the ITC to investigate and report on numerous subjects concerning tariff and trade relations, including conditions, causes, and effects relating to competition of foreign industries with U.S. industries.	Requires ITC to submit to Congress and to the USTR, on an annual basis, studies on the conditions of competition in U.S. and global markets with respect to key sectors of the U.S. economy, and on the implications of such competitive conditions for U.S. national economic security. The purpose of these studies shall be to analyze competitive conditions in a manner which will be useful to U.S. policymakers in anticipating sectoral trade problems and in formulating appropriate trade policies to address such sectoral problems.	No provision.

Item	Present Law	House Bill	Senate Amendment
		In deciding which sectors should be the subject of these studies, ITC shall consult with USTR, and with the House Committee on Ways and Means and the Senate Committee on Finance, and shall consider the following factors: (a) the extent to which the sector involves a critical technology; (b) the extent to which the sector contributes to the industrial base of an economy; (c) the extent to which the sector contributes to the health or condition of other sectors; (d) the role of the sector in the domestic economy generally (GNP, employment, etc.); (e) the potential role of the sector in global markets over the next decade. USTR would be required to take these studies into account in developing its annual Trade Policy Agenda.	
c. Reports on impact of trade restraints (sec. 220 of Senate amendment)	No provision.	No provision.	Requires ITC to submit to Congress on Feb. 15 of each year, a report on the negative economic effects on the United States of significant existing trade import restraint programs, including any impact on income and employment of workers and on the ability of U.S. companies to compete, on price and quality bases, in domestic and international markets. Also requires ITC to submit to Congress within 60 days of any new or significantly altered trade import restraint program, a supplementary report on the negative economic effects of such program.

Item	Present Law	House Bill	Senate Amendment
d. Treatment of confidential information by ITC (sec. 187 of House bill)	Section 332(g) currently requires that the Commission "put at the disposal of the President of the United States, the Committee on Ways and Means of the House of Representatives, and the Committee on Finance of the Senate, whenever requested, all information at its command."	Amends section 332(g) to prohibit the Commission from releasing information which it considers to be confidential business information, unless that party submitting the confidential business information had notice, at the time of submission of the information that such information would be released by the Commission or the submitting party has subsequently consented to release of the information.	No provision.
e. Paperwork Reduction Act (sec. 188 of House bill)	The Paperwork Reduction Act of 1980 (44 U.S.C. 3501) requires that all Federal agencies collecting information from 10 or more members of the public submit their questionnaires to OMB for approval prior to seeking the information. In the event OMB disapproves the issuance of a questionnaire, the Act authorizes independent regulatory agencies to override OMB disapproval by majority vote. The Act defines the term "independent regulatory agency" to include certain enumerated agencies "and any other similar agency designated by statute as a Federal independent regulatory agency or commission." The Commission is not one of the enumerated agencies and it is unclear whether the Commission is an "independent regulatory agency or commission."	Amends section 330 of the Tariff Act of 1930 to designate the Commission as an "independent regulatory agency" for purposes of the Paperwork Reduction Act.	No provision.

Item	Present Law	House Bill	Senate Amendment
1. Imports affecting national security (sec. 191 of House bill; sec. 501 of Senate amendment)	Section 232 of the Trade Expansion Act of 1962, requires the Secretary of Commerce to investigate, upon request or own motion, the effects of imports of an article on national security and report his findings and recommendations to the President. If he finds "an article is being imported in such quantities or under such circumstances as to threaten to impair the national security," the President must take such action for such time as he deems necessary to "adjust" the imports.		
a. Time limits for Secretary of Commerce's report	The Secretary of Commerce is required to make his report to the President containing his findings and recommendations within one year of initiating the investigation.	Reduces the period in which the Secretary must issue his report to 270 days.	Reduces the period in which the Secretary must issue his report to 180 days.
b. Defense needs assessment	No provision.	No provision.	Requires the Secretary of Commerce to immediately notify the Secretary of Defense of the investigation with respect to imports of an article. The Secretary of Defense shall make a separate defense needs assessment with respect to such article. The assessment is to be completed and submitted to the Secretary of Commerce within three months of the start of the investigation, and be included in the Secretary's report to the President.

Item	Present Law	House Bill	Senate Amendment
			The report shall also include a written statement by the Secretary of Defense expressing concurrence or disagreement with the Secretary of Commerce's findings and recommendations, and the reasons therefor.
c. Classification of report	No provision.	No provision.	The Commerce Secretary's report, or any portion of it (including the Defense Secretary's assessment) may be classified only if public disclosure would clearly be detrimental to the security of the United States. Any portion of the report which is not classified and is not proprietary information shall be published in the Federal Register.
d. Time limit for Presidential action	Provides no time limit after the Commerce Secretary's report for the President's decision on the appropriate action to take.	Gives the President 90 days after the Secretary's report in which to decide whether to take action, and he must proclaim such action within 15 days.	Gives the President 90 days after the Secretary's report to decide whether to take action.
e. Presidential report to Congress	Within 60 days after he takes any action, the President is required to report to the Congress the action taken and the reasons therefor.	No provision.	Retains requirement of report to the Congress. Adds requirement that the President make a written statement of the reasons why he has decided to take action. The statement shall be included in the report made and published by the Secretary of Commerce upon the disposition of the case.
f. Authority to negotiate import limitations	No provision.	No provision.	Specifies that the actions the President may take include, but are not limited to, the negotiation and conclusion of any agreement restricting imports to the United States of the article that threatens to impair the national security.

Item	Present Law	House Bill	Senate Amendment
g. Enforcement of voluntary restraint agreements (VRA's)	No provision.	Authorizes the Secretary of Commerce to request the Secretary of the Treasury to carry out whatever actions are necessary or appropriate to attain the objectives of the decision in the section 232 investigation on machine tools and to enforce any restrictions contained in the VRA's negotiated as a result of that case, including requirement that valid export licenses or other foreign government documentation be presented as a condition of entry into the United States.	Authorizes the President, in language substantially identical to House bill, to enforce any agreements entered into under this section, including the machine tool VRA's.
h. Action if agreement not reached or ineffective	No provision.	No provision.	If the action taken by the President is negotiation of an agreement, and either no agreement is reached within 270 days of the Secretary's report or an agreement is not being carried out or is ineffective in eliminating the threat to the national security, the President shall take such other actions as he deems necessary to adjust the imports so they will not threaten to impair the national security. If he decides not to take additional action, he must publish his reasons in the Federal Register.
2. Reallocation of GSP benefits to debtor nations (sec. 192(b) of House bill)	The President may waive the "competitive need" dollar and percentage GSP limits on individual eligible articles from particular beneficiary developing countries, by an amount not to exceed 30% of total GSP benefits granted in the preceding year, of which not more than one-half may be waived for more advanced developing countries. Any waiver must be based on a Presidential national economic interest determination, with great weight given to the extent the country will provide equitable and reasonable market access to U.S. products and	Requires the President to waive "competitive need" limits on any eligible article from any GSP beneficiary country debtor nation that qualifies for waiver under the present law criteria, has difficulty servicing its foreign debt, and has at least 20 percent of its debt held by any combinatin of U.S. banks, the IMF, and World Bank. The aggregate waiver amount for such nations cannot exceed the total value of new competitive need exclusions in the preceding year and would count against the total available waiver "pool" under present law.	No provision.

Item	Present Law	House Bill	Senate Amendment
	adequate protection and enforcement of intellectual property rights. The ITC must provide advice on whether any U.S. industry is likely to be adversely affected by a waiver.	In deciding which countries, if any, and articles will receive waiver allocations, great weight must be given to (1) the amount of debt of each country relative to its GNP, (2) the estimated percentage of export earnings each country would be required to devote to servicing its existing debt, (3) each country's trade surplus with the U.S. relative to its outstanding debt, and (4) the extent each country is undertaking good faith efforts to meet its debt obligations.	
3. Caribbean Basin Initiative			
a. Sense of Congress/Findings (sec. 193(a) of House bill; sec. 953 of Senate amendment)	The Caribbean Economic Recovery Act, commonly known as the Caribbean Basin Initiative or CBI, was enacted on Aug. 5, 1983, authorizing certain U.S. unilateral and preferential trade and tax measures for Caribbean Basin countries and territories.	Sets forth a sense of the Congress that the CBI should be preserved, that changes in U.S. laws should not unduly affect the CBI's unilateral duty-free system or discriminate against imports from CBI beneficiary countries; and that it is in the economic and security interest of the U.S. to maintain the commitment in the CBI.	Sets forth findings regarding the economic and political importance of the Caribbean region to the U.S. and expresses concern that trade restrictions are undermining stability in the region. Expresses intent of the Congress to ensure a strengthening of the trade elements of the CBI and that trade law changes not unduly affect CBI's unilateral duty-free system or discriminate against CBI imports.
b. Withdrawal of suspension of benefits (sec. 193(b) of House bill)	Section 212(e) of the CBI requires the President to withdraw or suspend the designation of any country as a beneficiary country if he determines as a result of changed circumstances such country would be barred from designation pursuant to the requirements in paragraph (b) of section 212.	Amends section 212(e) to allow the President the option of withdrawing or suspending CBI benefits on individual articles in addition to complete withdrawal of beneficiary status if a country is found not to be fulfilling all of the requirements of section 212(b).	No provision.
c. Extension of program (sec. 955 of Senate amendment)	Duty-free treatment under the CBI program was provided for a 12-year period and is schedule to expire on September 30, 1995.	No provision.	Extends the effective period for duty-free treatment under the CBI program to 12 years after the date of enactment of the "Omnibus Trade Act of 1987."

Item	Present Law	House Bill	Senate Amendment
4. Extension of International Coffee Agreements Act of 1980 (sec. 194 of House bill; sec. 922 of Senate amendment)	Section 2 of the International Coffee Agreement Act of 1980, as amended, gives the President authority to implement U.S. obligations under the International Coffee Agreement through Oct. 1, 1986.	Extends the President's implementing authority through Oct. 31, 1989. Retroactive to Jan. 1, 1987.	Identical provision.
5. Coal exports to Japan (sec. 196 of House bill; sec. 981 of Senate amendment)	No provision.	Expresses sense of Congress that (1) the objectives of the November 1983 Joint Policy Statement on Energy Cooperation, with respect to U.S. coal exports to Japan have not been achieved; (2) the President should direct the USTR to negotiate an agreement under which Japan would import U.S. coal on a market share basis equivalent to Japan's market share of steel products exported to the United States; (3) the President should encourage increased Japanese purchases of U.S. steam coal; and (4) the President should report to Congress on the results of negotiations.	Similar to House bill, except the President should direct that, in negotiating a steel trade arrangement with Japan, the USTR and Secretary of Commerce shall take into account the amount of coal that Japan purchases from the United States in determining the level of steel products that can be imported into the United States.
6. Use of U.S. vessels to transport imported autos (sec. 197 of House bill; sec. 954 of Senate amendment)	No provision.	Requires the President to take appropriate and feasible steps within his power to negotiate trade agreements with each country exporting more than 50,000 autos per year to the United States that will eliminate unfair, restrictive, or discriminatory practices in the marine transportation of such autos. The President must report semiannually to Congress on progress made in negotiations.	Identical to House bill.

Item	Present Law	House Bill	Senate Amendment
7. Japanese purchases of U.S. auto parts -- Sense of Congress (sec. 198 of House bill; sec. 948 of Senate amendment)	No provision.	Expresses the sense of Congress that Congress strongly supports U.S. negotiators' efforts to expand opportunities for U.S. producers to supply auto parts for Japanese autos, wherever produced, and determines that success of the MOSS talks on auto parts will be measured by a significant increase in U.S. auto parts sales and the initiation of long-term relationships between U.S. and Japanese companies. Requires USTR and the Secretary of Commerce to report to Congress at the conclusion of the MOSS talks on the outcome of the talks and on any agreements reached with Japan.	Same as House bill, except refers to MOSS "negotiations," rather than talks.
8. Auto trade barriers (sec. 961 of Senate amendment)	No provision.	No provision.	Requires the USTR to investigate and report to Congress on auto-producing countries' barrie to auto imports and the impact of such barriers, both in the presence and absence of the U.S.-Japan voluntary restraint agreements, on diverting auto imports into the U.S. market.
9. Wire fence panel (sec. 945 of Senate amendment)	The Steel Import Stabilization Act, Title VIII of the Trade and Tariff Act of 1984, grants the President authority to enforce the terms of bilateral arrangement limiting the export of steel products to the United States.	No provision.	Requires the USTR to request that the bilateral arrangements on steel exports to the United States include restraints on exports of welded steel wire fence panels, wire fabric, and welded steel wire mesh for concrete reinforcement. Removes authority to agree to any request for technical adjustments or modifications of bilateral agreements and, if appropriate, requires entry-by-entry certification of compliance with an agreement if a country covered by an existing agreement refuses to expand the coverage of such agreement to include these items.

Item	Present Law	House Bill	Senate Amendment
10. Lamb import quota (sec. 951 of Senate amendment)	No provision. The Meat Import Act of 1979 provides for import quotas on total imports of beef, veal, mutton, and goat in accordance with a specified countercyclical formula.	No provision on import quotas. However, a provision in subconference #6 (section 682) requires the Secretary of Agriculture to conduct a study on lamb imports and their effects on domestic lamb production. Such study is to be submitted to the Committees on Ways and Means and Finance by June 1, 1988, or 180 days after enactment, whichever is later.	Establishes a new program of import quotas on a calendar year basis on imports of fresh, chilled, or frozen lamb meat.
a. Formula for setting quota levels	No provision.	No provision.	The annual quota level is established by multiplying the base quantity of 24,540,000 pounds by (1) the average annual domestic commercial production of lamb during the most recent 3 years (including the current year) divided by the average annual domestic commercial production of lamb during the six-year period 1981-86; and then by (2) the average annual per capita domestic production of lamb during the most recent 5 years (including the current year) divided by the average annual per capita production of lamb during the most recent 2 years (including the current year).
b. Quota trigger	No provision.	No provision.	The Secretary of Agriculture must estimate and publish, on a quarterly basis, (1) the annual adjusted quota, and (2) the estimated expected supply of lamb imports for that calendar year absent any restriction. If the expected annual supply of imports equals 110 percent or more of the annual adjusted quota, quotas are triggered and the President must, by proclamation, limit imports of lamb for that calendar year to the amount of the annual adjusted quota. At no time, however, may the import quota be set at a level less than 28,500,000 pounds.

Item	Present Law	House Bill	Senate Amendment
			If for any quarter the Secretary estimates that imports will be less than 110 percent of the adjusted base quota, and a quota has already been proclaimed for that year, such quota shall cease to apply as of the beginning of that quarter. However, if the quota is in effect during the third quarter, it must continue in effect for the fourth quarter, unless the proclamation is suspended or modified as provided below.
c. Authority to suspend or modify the proclamation	No provision.	No provision.	The President may, after 30 days notice and opportunity for public comment, suspend any proclamation made, or increase the total quantity of imports permitted, if the President determines any of the following: (1) such action is required by overriding economic or national security interests, giving special weight to the importance of the economic well-being of the domestic lamb industry; (2) the supply of lamb will be inadequate to meet domestic demand at reasonable prices; or (3) trade agreements entered into after date of enactment ensure that the policy set forth in this section will be carried out. However, the total quantity may not be increased by the President if the countercyclical factor for that calendar year (the average annual per capita lamb production for the most recent 5 years divided by the average annual per capita production during the most recent 2 years)

77-750 O - 87 - 14

Item	Present Law	House Bill	Senate Amendment
			is less than 1.0, unless one of the following occurs: (1) during a period of national emergency declared under section 201 of the National Emergencies Act of 1976, the President determines and proclaims that such action is required by overriding national security interests; (2) the President determines and proclaims that the supply of lamb will be inadequate (due to national disaster, disease, or major national market disruption) to meet domestic demand at reasonable prices; or (3) on the basis of actual data for the first 2 calendar quarters, a revised calculation of the countercyclical factor yields a quotient of 1.0 or more.
d. Country allocations	No provision.	No provision.	The Secretary of Agriculture is required to allocate the total import quota among supplying countries on the basis of historical market share during a representative period. Notwithstanding the above, due account may be given to special factors which have affected or may affect trade in lambs and lamb meat.
e. Report	No provision.	Section 682 requires the Secretary of Agriculture to conduct a study of trends with respect to the level of imports of lamb meat and the effect of such imports on domestic production of lamb meat.	Requires the Secretary of Agriculture to conduct a study to determine whether a disproportionate quantity of lamb meat is imported quarterly.

Item	Present Law	House Bill	Senate Amendment
		The study is to be submitted to the Committees on Ways and Means and Finance before the later of either (1) June 1, 1988, or (2) 180 days after date of enactment.	Requirement on submission of report is same as House bill.
f. Effective date	No provision.	No provision.	The provisions of this section shall apply with respect to (1) calendar years, and (2) articles entered or withdrawn from warehouse for consumption in calendar years that begin on or after date of enactment.
11. Enforcement of restrictions on imports from Cuba (sec. 199 of House bill)	Imports from Cuba into the U.S. are prohibited.	Requires the USTR to request all relevant agencies to prepare appropriate recommendations for improving the enforcement of restrictions on Cuban imports.	No provision.
12. U.S. trade restrictions on products from sub-Saharan Africa (sec. 952 of Senate amendment)	No provision.	No provision.	Requires the GAO to conduct a study to determine the restrictions which affect the importation into the U.S. of products of developing countries in sub-Saharan Africa. To the maximum extent possible, the study shall identify principal U.S. imports from sub-Saharan Africa; identify U.S. restrictions on those imports; assess the economic loss to sub-Saharan Africa caused by these restrictions; and survey the impact of actions by European and other countries to reduce trade barriers with sub-Saharan Africa. GAO is to report to the Congress by June 1, 1988, and include such recommendations for administrative or legislative action as appropriate.

Item	Present Law	House Bill	Senate Amendment
13. Denial of trade benefits to countries supporting acts of terrorism (sec. 957 of Senate amendment)	No provision.	No provision.	Provides that the Secretary of State shall identify each foreign country that repeatedly provides support for acts of international terrorism. The identification is to be published in the Federal Register. If the Secretary of State determines that an identified foreign country has ceased to provide support for acts of terrorism, he shall also publish such determination. By no later than February 15, 1988, and the same date in each subsequent year, the Secretary shall submit to the Congress the list of identified countries. If a foreign country has been identified, the President is required to terminate, withdraw, or suspend any portion of any trade agreement or treaty providing nondiscriminatory most-favored-nation (MFN) status to that country. Each such country will be denied MFN status and will not be entitled to GSP and CBI benefits. The President may waive any or all of the requirements of this provision if he determines waiver is in the best interest of the United States, and must submit to the Congress written notice of any waiver. A waiver may take effect only after the 30-day period (excluding days either House is not in session and Saturdays and Sundays) beginning on the date the President gives notice to the Congress. The President may revoke a waiver at any time.
14. Trade with Afghanistan (sec. 958 of Senate amendment)	No provision.	No provision.	Authorizes the President to prohibit the importation of all products of Afghanistan and the exportation of any goods or technology to Afghanistan after the date of enactment. The prohibition applies to articles produced in Afghanistan and

Item	Present Law	House Bill	Senate Amendment
			exported by the Democratic Republic of Afghanistan (DRA) that is sponsored by the Union of Soviet Socialist Republics or any political party, faction, or regime in Afghanistan sponsored by the USSR, and to exports for the benefit of, or use by, the DRA or any Soviet-sponsored party, faction or regime. It is not intended to authorize the President to prohibit trade with Afghan forces or factions for which the Congress has expressed support. If the President does not act to prohibit trade with Afghanistan before the 45th day after enactment, he must report to the Congress by that date his reasons for not taking action.
15. Suspension of nondiscriminatory treatment for Angolan products (sec. 960 of Senate amendment)	No provision.	No provision.	Suspends nondiscriminatory (MFN) and GSP treatment for Angola for the 6-month period beginning on the date of enactment. Such treatment may be renewed during any "rights review period" (defined as the initial 6-month period after enactment and each successive 180-day period thereafter), only if the President submits to the Congress, no later than 30 days before the end of the preceding review period, a determination that Angola: (1) is making a concerted and significant effort to comply with internationally recognized human rights;

Item	Present Law	House Bill	Senate Amendment
			(2) has entered into discussions with its noncommunist opposition; (3) has established a body of laws that assures the full participation of all its people in its social, political and economic life; (4) has held free and fair elections under international supervision; and (5) all troops from Cuba, the Soviet Union, and other Communist countries have been withdrawn from Angola. The Presidential determination may be disapproved by joint resolution of Congress before the close of the applicable rights review period under modified "fast track" procedures (Committee consideration is limited to 5 calendar days, and all calendar days are to be counted). The provisions of the Jackson-Vanik Act are to be inapplicable to Angola.
16. Trade statistics (sec. 956 of Senate amendment)	Title 13 U.S.C. requires monthly reporting of U.S. merchandise trade statistics. Under section 301 of Title 13, the U.S. merchandise trade balance must be reported on the basis of the c.i.f. value of imports and the f.a.s. value of exports. Such balance must be released at least 48 hours before any trade balance based on any other statistics is released.	No provision.	Eliminates the 48-hour release requirement for the trade balance based on the c.i.f. value of imports and the f.a.s. value of exports. Requires a Census Bureau study on the feasibility of developing and publishing an index to measure and report the real volume of U.S. merchandise trade on a monthly basis. A report on the study must be submitted to the Ways and Means and Finance Committees within one year after enactment.
17. Annual trade report (sec. 959 of Senate amendment)	No provision.	No provision.	Requires the USTR and the Treasury Secretary jointly to prepare and submit annually to the Ways and Means and Finance Committees a comprehensive report on specified trade and economic indicators,

Item	Present Law	House Bill	Senate Amendment
			trade barriers, and unfair trade practices of the United States and all other countries: with 2 year projections regarding certain trade and economic indicators for certain countries and groups of countries: and conclusions as to whether the projections are satisfactory to the United States, and, if not, the policy changes which will be implemented to improve the outlook. The USTR and the Treasury Secretary are to consult with the Chairman of the Federal Reserve in preparing the report and with the Committees after its submission. Each Committee must publish a report with its views and recommendations on the USTR/Treasury reports.
18. Adjustment of trade statistics (sec. 978 of Senate amendment)	Title 13 U.S.C. requires monthly reporting of U.S. merchandise trade statistics.	No provision.	Requires that the monthly and cumulative reports on the U.S. merchandise trade balance be reported on a constant dollar basis (i.e., adjusted for inflation or deflation), as well as on a current dollar basis.
19. Windfall profit tax repeal (sec. 980 of Senate amendment)	An excise tax is imposed on certain domestic oil. The tax is imposed on the excess of the sales price for the oil over the sum of the base price for that oil plus an adjustment for state severence taxes. The tax is limited to 90 percent of the net income from the well.	No provision.	Repeals excise tax for crude oil removed from the premises beginning on the date of enactment.

Item	Present Law	House Bill	Senate Amendment
	The base price for oil produced from any property is based on several factors, including the date commercial production began, the type of oil, the type of producer, and the type of property. The base price is adjusted annually for inflation. The rate of the tax similarly varies based on several factors; the rate ranges from as high as 70 percent for certain oil produced by integrated producers, to 22.5 percent for certain newly discovered oil. Oil produced by independent producers from stripper wells is exempt from the tax. The windfall profit tax is scheduled to phase out over a 33-month period, beginning after December 31, 1987 if the cumulative revenues raised by the tax reach $227.3 billion, but in any event beginning no later than January 1991. As of September 1986, $79 billion of windfall profit tax had been collected.		
20. Study of source rules for sales of inventory (sec. 962 of Senate amendment)	Section 1211(d) of the Tax Reform Act of 1986 directed the Secretary of the Treasury to conduct a study of the foreign tax credit source rules for sales of inventory property. The study is required to be completed by Sept. 30, 1987.	No provision.	Directs the Treasury to conduct the study in consultation with the Commerce Department and the USTR and extends the deadline for submission of the study by one year.
21. Canadian Import Tribunal Decision affecting United States corn exports to Canada (sec. 691 of House bill)	No comparable provision.	Contains several findings of Congress with respect to U.S./Canada corn trade. Sense of Congress that the USTR should immediately initiate investigation under sec. 302(c) of the Trade Act of 1974 to determine whether the CVD determination of the Canadian Import Tribunal is inconsistent with the obligations of Canada under the GATT. If the USTR determines that the	No comparable provision.

Item	Present Law	House Bill	Senate Amendment
		Canadian decision was inconsistent with GATT obligations, the USTR should make recommendations to the President regarding appropriate action. (Sec. 691)	
22. Foreign import restrictions on U.S. citrus fruits and beef products (sec. 692 of House bill)	No comparable provision.	Contains findings of Congress that certain trading partners of the U.S. are engaging in practices that tend to unreasonably burden U.S. exports of citrus fruits and beef products. Sense of Congress: that if a country is found to engage in acts or practices that deny access to the market by U.S. citrus and beef exports and such acts are in contravention with the country's GATT obligations, the President should take steps that result in the exclusion of like or other imports from such country until the country eliminates such acts or practices. (Sec. 692)	No comparable provision.
23. Entry processing for textiles and apparel (sec. 704 of House bill)	No provision.	Requires the Secretary of Commerce within 90 days of the date of enactment to institute procedures to expedite the interagency process for recommending and approving calls for consultations on textile improvement quotas.	No provision.
23. Effect of imports on crude oil production and refining capacity in the U.S. (sec. 909 of House bill)	None.	Requires the Secretary of Energy to refer a recently completed study on the effects of oil imports on the national security of the United States to the Secretary of Commerce for review. Within 180 days of receipt, the Secretary of Commerce, based on the study, is required to recommend to Congress and the President appropriate actions to address any impacts of petroleum imports on U.S. petroleum exploration, production, and refining capacity.	No similar provision.

INTERNATIONAL TRADE IN TELECOMMUNICATIONS PRODUCTS AND SERVICES

Item	Present Law	House Bill	Senate Amendment
1. Short title (sec. 201 of House bill; sec. 901 of Senate amendment)	There is no statute dealing specifically with international trade in telecommunications products and services. Section 301 of the Trade Act of 1974 authorizes the President to take action against unfair trade practices in all industries, including telecommunications.	Telecommunications Trade Act of 1987.	Same as House bill.
2. Findings and purposes (sec. 202 of House bill; sec. 902 of Senate amendment)		General findings and purposes about trade in telecommunications, importance of foreign market access.	Similar to House bill, but contains two findings not found in House bill: (1) U.S. deregulation and divestiture of AT&T represent a U.S. unilateral trade concession to the rest of the world. (2) The unique conditions in the world telecommunications market create a need to make an exception that should not necessarily be a precedent for legislating specific sectoral trade priorities.
3. Standard of foreign market openness		"Fully competitive market opportunities" for telecommunications products and services of U.S. firms. Term not otherwise defined, except that the list of negotiating objectives in the bill establishes the sorts of conditions which characterize "fully competitive market opportunities."	"Substantially equivalent competitive opportunities" for telecommunications products and services of U.S. firms. Term not otherwise defined except as suggested by negotiating objectives.

Item	Present Law	House Bill	Senate Amendment
4. Negotiating objectives (sec. 203 of House bill; sec. 905(a) of Senate amendment)		This section sets forth six primary and seven secondary negotiating objectives to be referred to by the USTR for the purpose of establishing specific negotiating objectives on a country-by-country basis. The primary negotiating objectives are: (1) nondiscriminatory procurement of telecommunications products and services by foreign telecommunications service providers that are owned, regulated or controlled by foreign governments; (2) assurances that any requirement for registration of telecommunications products be limited to certification by the manufacturer that the products meet local standards for preventing harm to the network or network personnel; (3) open and transparent standards-setting processes for telecommunications products; (4) the ability to have telecommunications products approved and registered by type and, if appropriate, establishment of procedures between the U.S. and foreign countries for mutual recognition of type approvals; (5) reasonable and nondiscriminatory terms and conditions for access by value-added service providers to the telecommunications network; and	This section sets forth four general and eight specific negotiating objectives to be sought by the President in negotiations with foreign countries identified by the USTR as denying substantially equivalent competitive opportunities for U.S. firms. The general negotiating objectives are: (1) to obtain multilateral or bilateral agreements providing substantially equivalent competitive opportunities for U.S. firms; (2) to correct the imbalance in competitive opportunities stemming from uncompensated U.S. market opening; (3) to facilitate the increase in U.S. exports to a level that reflects the competitiveness of the U.S. telecommunications industry; and (4) to enhance U.S. employment growth in telecommunications and related industries.

Item	Present Law	House Bill	Senate Amendment
		(6) monitoring and effective dispute settlement for items (1) through (5).	
		The secondary negotiating objectives are:	The specific negotiating objectives include, but are not limited to:
		(1) national treatment for U.S. telecommunications products and services;	(1) same as House bill;
		(2) most-favored-nation treatment for such products and services;	(2) same as House bill;
		(3) nondiscriminatory procurement policies, and inclusion of telecommunications products and services in the Government Procurement Code;	(3) same as House bill;
		(4) reduction or elimination of duties on telecommunications products;	(4) same as House bill;
		(5) elimination of subsidies, dumping, violations of intellectual property rights, and other trade-distorting unfair trade practices;	(5) same as House bill;
		(6) elimination of investment barriers; and	(6) same as House bill;
		(7) monitoring and dispute settlement mechanisms to facilitate telecommunications trade agreement and compliance.	(7) same as House bill; and
			(8) adoption by foreign countries of equipment standards and certification procedures that do not exceed the minimum necessary to prevent harm to the telecommunications network (see item (2) of House primary negotiating objectives).

Item	Present Law	House Bill	Senate Amendment
Investigations and establishing negotiating objectives (sec. 204 of House bill; sec. 904 of Senate amendment)			
a. Investigations		Within 180 days of enactment, the USTR must identify and analyze those foreign acts, policies, and practices that deny fully competitive market opportunities to the telecommunications products and services of U.S. firms.	Within 4 months of enactment, the USTP must (1) identify and analyze all foreign acts, policies, and practices that deny to telecommunications products and services of U.S. firms any competitive opportunities that are substantially equivalent to competitive opportunities available to foreign firms in the U.S. market, and (2) identify which of those acts, policies or practices denies or impairs benefits to the U.S. under existing trade agreements. In making determinations under (2) above, the USTP must consider any evidence of patterns of trade that do not reflect the patterns that would reasonably be expected to flow from the foreign country's trade agreement concessions or commitments as creating a presumption of an act, policy or practice that denies or impairs U.S. trade agreement benefits (the USTP is required to consult with the ITC with regard to this matter). In conducting its analysis, the USTP shall take into account: (1) the actual or potential economic benefits to foreign firms from open access to the U.S. market, and

77-750 0 - 87 - 15

Item	Present Law	House Bill	Senate Amendment
			(2) the actual patterns of trade, including U.S. exports in relation to the international competitive position and export potential of those exports (the USTR is required to consult with the ITC with regard to this factor).
b. Establishing negotiating objectives		Drawing from the objectives set forth in item 4 above, the USTR must establish specific negotiating objectives for each country identified, which should be pursued to obtain fully competitive market opportunities. In establishing the negotiating objectives for a particular country, the USTR is to take into account: (1) the needs of affected U.S. industries; (2) the competitiveness of U.S. industries in U.S. and world markets; (3) the progress being made to expand market opportunities under existing agreements and ongoing negotiations; and (4) the availability of incentives and remedies.	The objectives the President must pursue in negotiations must include, but are not limited to, the listing of specific objectives in item 4 above. In pursuing these objectives and the general negotiating objectives, the President must take into account the factors listed in item 5(a) above.
6. Consultation (sec. 207 of House bill; secs. 904, 907 of Senate amendment)		The USTR must consult with the private sector in these efforts.	Substantially the same as the House bill.

Item	Present Law	House Bill	Senate Amendment
7. Petitions by interested parties; self-initiation (sec. 204 of House bill)		Petitions by interested parties and self-initiation by the USTR may prompt an investigation, except that no petition may be filed before the completion of investigations mandated by this section (maximum of 6 months after enactment). Any investigation and a final determination must be made within 6 months of initiation of the investigation (in the case of self-initiation) or of the date a petition is filed.	No provision.
8. Exclusion of countries with limited market potential (sec. 204(a) of House bill; sec. 904(c) of Senate amendment)		The USTR may exclude from investigation any country whose potential market for U.S. telecommunications products and services is not substantial.	Same as House bill, except USTR must consult with Ways and Means and Finance, publish a Federal Register notice, and provide opportunity for written public comment prior to excluding any country.
9. Review of countries excluded from investigation (sec. 204(c) of House bill)		Requires review, at least annually, of the market potential of countries previously excluded from investigation due to small market size. Investigation required if substantial market potential exists.	No provision.
10. Report to Congress (sec. 204(d) of House bill; sec. 904(d) of Senate amendment)		The USTR shall report to Congress on all investigations undertaken under section 204. Each report shall be submitted within 30 days of completion of the investigation.	The USTR shall report to the Senate Finance and Commerce Committees and the House Ways and Means and Energy and Commerce Committees within 4 months of enactment on the analysis and determinations made on foreign barriers.

Item	Present Law	House Bill	Senate Amendment
11. Action by President in response to investigations (sec. 205 of House bill; sec. 905 of Senate amendment)			
a. Negotiations (sec. 205(a) of House bill; sec. 905(a) of Senate amendment)		After investigtions are completed, requires the President to enter into negotiations with countries subject to investigation. The purpose of the negotiations is to enter into bilateral or multilateral agreements which achieve the objectives established by the USTR for each country or group of countries.	After investigations are completed, requires the President to enter into negotiations with countries identified by the USTR as denying substantially equivalent competitive opportunities. The purpose of the negotiations is to enter into bilateral or multilateral trade agreements which provide to telecommunications products and services of U.S. firms substantially equivalent competitive opportunities, based on the objectives set forth in this section. In pursuing these objectives, the President must take into account the two factors listed in item 5(a) above.
b. Time limit for negotiations (sec. 205(c) of House bill; sec. 905(b) of Senate amendment)		In the case of negotiations entered into as a result of investigations mandated by the bill, agreements must be reached no later than 18 months after enactment. In the case of investigations entered into as a result of self-initiation or petition, agreements must be entered into within 12 months after the commencement of negotiations.	Agreements must be reached no later than 18 months after enactment.

Item	Present Law	House Bill	Senate Amendment
c. Extension of negotiating period (sec. 205(c) of House bill)		The President may request up to 2 one-year extensions of negotiating authority, subject to "fast-track" Congressional approval, by submitting a draft bill at least 90 days prior to the expiration of the negotiating period and a statement that: (1) substantial progress is being made in negotiations; and (2) further negotiations are necessary to achieve the objectives.	No provision.
d. Consultations (sec. 207 of House bill; sec. 907 of Senate amendment)		The President must keep the House Ways and Means and Senate Finance Committees informed of negotiating priorities and objectives; prospects; and any U.S. concessions which may be required. He shall also consult with the private sector.	Same as House bill.
12. Actions to be taken by President if no agreement (sec. 205(b) of House bill; sec. 905(b) of Senate amendment)			
a. Mandatory action		If the President is unable to enter into an agreement which achieves the primary objectives established by the USTR, he **shall** take whatever actions authorized in the bill are necessary and appropriate to achieve the purposes of such primary objectives not covered by agreement. Any action the President decides to take under this item shall be treated as an action necessary to implement a trade agreement for the purposes of section 151 and subsections (c), (d), (e), (f), and (g) of section 102 of the Trade Act of 1974.	If the President is unable to enter into an agreement which achieves the objectives set forth in this section, he **shall** submit a draft bill which implements whatever actions authorized in the bill that are necessary to fully achieve such objectives, subject to "fast-track" approval.

Item	Present Law	House Bill	Senate Amendment
b. Discretionary action		If the agreement fails to achieve any secondary objectives established by the USTR, the President **may** take whatever actions are necessary to achieve those objectives.	No provision.
c. Authorized actions		The President is authorized to take the following actions: (1) Terminate or suspend any portion of a trade agreement with respect to any U.S. duty or trade restriction on a telecommunications product. (2) Any action described in section 301. (3) Prohibit the Federal government from purchasing specified telecommunications products. (4) Increase domestic preferences for Federal purchases. (5) Suspend any waiver of domestic preferences. (6) Order the denial of Federal funds or credits for the purchase of specified foreign products. (7) Suspend GSP benefits. However, the actions taken must first be those that most directly affect trade in telecommunications products and services from the country concerned.	Substantially identical to House bill.

Item	Present Law	House Bill	Senate Amendment
d. Contract sanctity		Contracts entered into before the date of enactment of the bill are grandfathered.	Contracts entered into before Apr. 17, 1985, are grandfathered.
e. Consultations (sec. 207 of House bill; sec. 905(b) of Senate amendment)		The President must consult with the private sector, including labor, and the interagency trade organization in determining which actions to take.	At least 90 days before a draft bill of proposed actions is submitted, the President must consult with Finance and Ways and Means on its content, and submit a document explaining the bill.
13. Modification or termination of actions (sec. 205(d), (e) of House bill)		The President may modify or terminate any action taken against a country only if that country enters into an agreement which achieves the specific objective regarding which such action was taken. He shall promptly inform appropriate Congressional committees of such modification or termination.	No provision.
14. Enforcement of trade agreements (sec. 206 of House bill; sec. 906 of Senate amendment)			
a. Annual reviews (sec. 206(b) of House bill; sec. 906(b) of Senate amendment)		Requires the USTR to conduct reviews to determine whether any act, policy, or practice of a country with which a telecommunications trade agreement has been reached:	Requires annual USTR review to assess the extent to which objectives are being met by each foreign country whose acts, policies, or practices were identified as denying substantially equivalent competitive opportunities. Requires annual report to Congress on such reviews.
		-- is not in compliance with the terms of the agreement, or	
		-- otherwise denies fully competitive market opportunities under the agreement.	
		If an agreement was entered into under this bill, the first review is to take place within 6 months of the date the	

Item	Present Law	House Bill	Senate Amendment
		agreement enters into force, and annually thereafter. If the agreement was in existence on the date of enactment the first review is to occur within 18 months, and annually thereafter.	
b. Review factors (sec. 206(c) of House bill; sec. 904(b) of Senate amendment)		In making this determination, the USTR is required to "consider any evidence of actual patterns of trade (including United States exports of telecommunications products to a foreign country and sales and services related to those products) that do not reflect patterns of trade which would reasonably be anticipated to flow from the concessions or commitments of such country based on the international competitive position and export potential of such products and services." The USTR must consult with the ITC with regard to "actual patterns of trade."	Nearly identical to House bill, except that USTR also must take into account the economic benefits to foreign firms from the open U.S. market.
c. Action in response to affirmative review determination generally (sec. 206(d) of House bill; sec. 906(b) of Senate amendment)		If the USTR determines that a country's acts, policies, or practices violate a telecommunications trade agreement or deny fully competitive market opportunities under the agreement, he shall take whatever authorized actions that are necessary to: (a) fully offset the foreign act, policy, or practice, and (b) restore the balance of concessions between the U.S. and the foreign country in telecommunications trade.	Same as House bill, except the standard is "substantially equivalent competitive opportunities," and the USTR actions must "restore the balance of competitive opportunities" between the United States and the foreign country.

Item	Present Law	House Bill	Senate Amendment
d. Action against country with prior agreement (sec. 206(d) of House bill; sec. 906(a) of Senate amendment)		Action may not be taken by the USTR against a country with an agreement in existence on the date of enactment before action has been taken by the President against any other country.	Permits action against a country with a prior agreement as a result of the initial investigation as well as after annual reviews. If, as a result of the investigation undertaken under item 5.a., the USTR determines that an act, policy or practice of a foreign country denies or impairs U.S. benefits under an existing trade agreement, the USTR, within 15 days after submission of the report described in 5.a., must take whatever authorized actions (see (e) below) that are necessry to fully offset the acts, policies or practices and to restore the balance of concessions between the U.S. and the foreign country.
e. Actions authorized (sec. 206(e) of House bill; sec. 906(c) of Senate amendment)		The USTR is authorized to terminate, withdraw, or suspend trade agreements or take any action under section 301 of the Trade Act of 1974, except that action may be taken against products and services outside the telecommunications sector from the country concerned only if the USTR has taken all feasible actions against that country's telecommunications products and services and the applicable negotiating objectives have not been achieved.	Same as House bill.
f. "Fast-track" approval		Any action the Trade Representative decides to take under item 14(e) shall be treated as necessary to implement a trade agreement for the purposes of section 151 and subsections (c), (d), (e), (f), and (g) of section 102 of the Trade Act of 1974.	No provision.

Item	Present Law	House Bill	Senate Amendment
g. Contract sanctity (sec. 206(f) of House bill; sec. 906(d) of Senate amendment)		Contracts entered into before the date of enactment of the bill are grandfathered.	Contracts entered into before Apr. 17, 1985, are grandfathered.
h. Consultations (sec. 207 of House bill; sec. 907 of Senate amendment)		The USTR must consult with the Secretary of Commerce, the interagency trade organization and the private sector, including labor, in determining what actions to take.	Same as House bill, except adds requirement of consultation with the Federal Communications Commission.
i. Separate 301 action	The President may take action against unfair foreign acts, policies and practices under section 301 of the Trade Act of 1974.	No provision.	Specifies that nothing in this section precludes the President from taking separate action, on his own motion or on petition by an interested party, under section 301 of the Trade Act of 1974.
j. Modification and termination authority (sec. 206(g), (h) of House bill)		The USTR may modify or terminate actions taken against a country only if he determines that the country has taken appropriate remedial action regarding the act, policy, or practice concerned. Appropriate Congressional committees must be informed promptly of any modification or termination.	No provision.
15. Trade agreement authority (sec. 208 of House bill; sec. 908 of Senate amendment)		Forty-two-month trade agreement authority is provided. "Fast-track" Congressional approval of trade agreements required for all agreements except those involving unilateral concessions on the part of a foreign country, which may be implemented by Presidential proclamation.	Three-year trade agreement authority is provided. "Fast-track" Congressional approval of trade agreements required for all agreements. (No provision for agreements by Presidential proclamation.)

Item	Present Law	House Bill	Senate Amendment
a. Non-MFN application of benefits (sec. 208(c) of House bill; sec. 908(c) of Senate amendment)		Benefits and obligations of trade agreements may apply on an MFN or non-MFN basis.	Same as House bill.
16. Compensation authority (sec. 209 of House bill; sec. 909 of Senate amendment)		The President is authorized to compensate any country for actions taken by the President or the USTR, if such action is found to be inconsistent with U.S. international obligations. Compensation package is subject to "fast-track" Congressional approval.	The President is authorized to compensate any foreign country if-- (1) the President has taken action in response to an investigation and the USTR is not required to take action against the same country (because the foreign acts, policies or practices at issue do not impair or deny U.S. trade agreement benefits); or (2) the USTR takes action that is subsequently found to be inconsistent with U.S. international legal obligations. Compensation agreement is subject to "fast-track" Congressional approval. In considering whether to enter into a compensation agreement, the President must taken into account the factors listed in item 5(a) above.
17. Definitions (sec. 210 of House bill; sec. 903 of Senate amendment)		Definition of telecommunications product in terms of TSUS numbers.	Similar definition of telecommunications product in terms of TSUS numbers (adds three numbers -- 685.10, 685.12, and 685.39 -- and deletes two numbers -- 685.32 and 685.34).

Item	Present Law	House Bill	Senate Amendment
18. International obligations (sec. 211 of House bill; sec. 913 of Senate amendment)		Provides that nothing in this title shall be construed to require the President and the U.S. Congress to violate U.S. legal obligations, including GATT obligations.	Provides that nothing in the subtitle shall be construed to require the President to act in a manner inconsistent with the international legal obligations of the United States.
19. FCC			
a. Clarification of factors FCC must consider (sec. 212(a) of House bill)	The Communications Act of 1934 requires the Federal Communications Commission (FCC), among other things, to make decisions on the basis of the public interest, convenience, and necessity.	Specifies that in making decisions on the basis of the public interest, convenience, and necessity, the FCC should, where appropriate, take into account the impact of international trade on the ability of the U.S. telecommunications industry to be competitive in the international marketplace and on the ability of the American public to obtain quality services and equipment. Requires the FCC to consult with the USTR and other appropriate Executive branch officials in making determinations or taking actions which take into account the impact of international trade. Provides that the Commission should avoid taking actions which would conflict with or otherwise interfere with separate trade actions, including negotiations, being taken by the USTR or other trade-related agencies.	No provision.
b. Report to Congress (sec. 212(b) of House bill)		Requires the FCC, by Nov. 1, 1987, to report to Congress its findings and conclusions reached on the basis of a specified public inquiry and proposed rulemaking relating to international trade in telecommunications goods and services. Requires the FCC to commence a rulemaking	No provision.

Item	Present Law	House Bill	Senate Amendment
		on the matter if considered appropriate on the basis of the public inquiry.	
c. Compliance with FCC regulations (sec. 910 of Senate amendment)	Under authority of the Communications Act of 1934, the FCC requires the submission by manufacturers of certain information for registration and approval of telecommunications equipment in the U.S. market.	No provision.	Foreign telecommunications products subject to FCC registration or approval may be entered into the United States only if such products conform to FCC rules and regulations and certain information is submitted to a customs officer at the time of entry. The Secretary of the Treasury shall compile the information and submit a summary to Congress at least twice a year.
20. Study on telecommunications competitiveness (sec. 212(c) of House bill; sec. 912 of Senate bill)		Requires the Secretary of Commerce, acting with the FCC and the National Telecommunications and Information Administration, to conduct a study of the competitiveness of the U.S. telecommunications industry and the impact of foreign policies and practices, to assist the Congress and the President in determining what actions may be necessary to preserve the competitiveness of the U.S. industry. The Secretary must provide notice and opportunity for public comment and submit his findings and recommendations to the Congress and President within 210 days of enactment.	Within 6 months of enactment and at least every 2 years thereafter, requires the Secretary of Commerce to submit to Congress a report on the impact of U.S. domestic policies and practices on the growth and international competitiveness of the U.S. telecommunications industry. The report shall include a statement of actions taken or recommended to overcome U.S. policies and practices found to inhibit growth and competitiveness, and a statement of the probable trade impact of failure to take such actions.
21. Service sector access authorization (sec. 911 of Senate amendment)	In addition to other retaliatory action, section 301(e)(6) of the Trade Act of 1974 authorizes the President to restrict the terms and conditions or deny the issuance of any service sector access authorization (e.g., license) that permits a foreign supplier of services access to the U.S. market in a service sector concerned.	No provision.	Expands the definition of "service sector access authorization" in section 301(e)(6) to apply also to a foreign supplier of goods related to a service. (See item 5(g) under section 301 amendments generally.)

77-750 O - 87 - 16

AUTHORIZATIONS OF APPROPPIATIONS

Item	Present Law	House Bill	Senate Amendment
1. International Trade Commission (sec. 701 of Senate amendment)	Fiscal year 1987 appropriation -- $33,900,000.	No provision. (Separate authorization bill reported by the Ways and Means Subcommittee on Trade provides two-year authorizations as follows: Fiscal year 1988 -- $35,386,000 Fiscal year 1989 -- $36,730,000)	Fiscal year 1988 -- $35,386,000
2. Customs Service (sec. 702 of Senate amendment)	Fiscal year 1987 appropriation -- $1,019,435,000	No provision. (Separate authorization bill reported by the Ways and Means Subcommittee on Trade provides two-year authorizations as follows: Fiscal year 1988 -- $1,018,501,000 ($348,192,000 for noncommercial operations; $615,000,000 for commercial operations; and $118,309,000 for operations and maintenance of the air interdiction program). Fiscal year 1989 -- $1,138,752,000 ($381,819,000 for noncommercial operations; $630,865,000 for commercial operations; and $126,068,000 for operations and maintenance of the air interdiction program)).	Fiscal year 1988 -- $1,035,211,000 ($358,000,000 for noncommercial operations; $559,000,000 for commercial operations; and $118,000,000 for operations and maintenance of the air interdiction program). Section 702 of the Senate amendment further: (1) Requires the Customs Service to notify the Congress at least 180 days prior to taking any action that would result in any significant reduction in force of employees other than by attrition; result in any significant reduction in hours of operation or services rendered at any Customs office or port of entry; eliminate or relocate any office of the Customs Service; eliminate any port of entry; or significantly reduce the number of employees assigned to any office or port of entry.

Item	Present Law	House Bill	Senate Amendment
			(2) Establishes a customs private sector advisory committee to advise the Secretary of the Treasury on matters relating to the commercial operations of the Customs Service. The committee is to consist of 20 members representative of the individuals and firms affected by the commercial operations of the Customs Service, a majority of whom may not belong to the same political party.
3. U.S. Trade Representative (sec. 703 of Senate amendment)	Fiscal year 1987 appropriation -- $13,300,000	No provision. (Separate authorization bill reported by the Ways and Means Subcommittee on Trade provides two-year authorizations as follows: Fiscal year 1988 -- $15,141,000 Fiscal year 1989 -- $15,514,000)	Fiscal year 1988 -- $15,248,000, of which $1 million is to remain available until expended.

Item	Present Law	House Bill	Senate Amendment
1. Reference (sec. 800 of House bill; sec. 801 of Senate amendment)		All changes in this title refer to the Tariff Schedules of the United States (TSUS).	Identical to House bill.
2. Importation of furskins (sec. 815 of House bill; sec. 899B of Senate amendment)	Prohibits entry of ermine, fox, kolinsky, marten, mink, muskrat, and weasel furskins which are the product of the Union of Soviet Socialist Republics.	Ends prohibition of importation of furskins from Russia.	Expresses the sense of the Senate that the prohibition on the importation of Soviet furskins should remain in effect.
3. Salted and dried plums (sec. 802 of House bill; sec. 809 of Senate amendment)	Classified as "otherwise prepared or preserved" at 17.5% ad valorem.	Creates new tariff classification for plums, soaked in brine and dried, at the 2 cents per pound rate currently applicable to other dried plums. Amends the article description for item 149.26 to read "dried, salted or not salted but not otherwise further prepared or preserved."	Substantially the same as House bill, except amends the article description for item 149.26 to exclude "but not otherwise further prepared or preserved," includes "Special" rate column provision and provides for staging.
4. Grapefruit (sec. 803 of House bill)	The tariff rate of 20 cents per gallon for not concentrated juice applies to both natural (fresh) juice and to juice produced from concentrated juice (reconstituted).	The lower tariff rate of 20 cents per gallon would apply only to natural unconcentrated juice. Reconstituted juice would be reclassified into the category currently applicable to concentrated juice and duty would be 35 cents per gallon.	No provision.
5. Hatters' fur (sec. 804 of House bill; sec. 807 of Senate amendment)	Both hatters' fur and carroted furskins are dutiable at a col. 1 rate of 15% ad valorem. Col. 1 rate for hatters' fur is suspended through Dec. 31, 1985.	Makes permanent the duty-free treatment for hatters' fur. Retroactive to Dec. 31, 1985. Carroted furskins and hatters' fur are separated for tariff purposes.	Identical to House bill, except includes "Special" rate column provision and provides for staging.

Item	Present Law	House Bill	Senate Amendment
6. Certain types of plywood (sec. 805 of House bill; sec. 813 of Senate amendment)	Plywood and wood-veneer panels which have been edgeworked are classified as building boards rather than as plywood, with a lower ad valorem equivalent of approximately 10%.	Clarifies that imports of tongued, grooved, lapped, or otherwise edgeworked plywood, wood-veneer panels, and cellular panels are classified as plywood at a duty rate of 20% ad valorem.	Identical to House bill.
7. Broadwoven fabrics of man-made fibers (sec. 807 of House bill; sec. 802 of Senate amendment)	Woven fabrics of man-made fibers, other than those containing over 17% of wool by weight, are included in item 338.50, with a possibility of 99 statistical annotations.	Renumbers existing provisions to provide for a possible 297 statistical annotations on woven fabrics of man-made fibers, but would not change rates of duty.	Identical to House bill, except includes "Special" rate column provisions.
8. Uranium hexafluoride (UF_6) (sec. 813 of House bill)	Uranium compounds other than oxide enter under item 422.52 and are duty-free.	Adds new tariff provisions for uranium hexafluoride (UF_6) that is imported from any country requiring that uranium mined in that country be converted or upgraded into UF6 before export and provides for a duty of $3 per pound on both col. 1 and col. 2. Currently, Canada is the only country that meets this criteria.	No provision.
9. Silicone resins and materials (sec. 808 of House bill)	Silicones are classified in one of nine categories with duties ranging from zero to 8.6% ad valorem. Silicone resins enter under one of seven categories with col. 1 duties ranging from duty-free to 13.5% ad valorem.	Creates a single TSUS item for silicone products and applies a rate of duty of 3.7% ad valorem.	No provision.
10. Classification of naphtha and motor fuel blending stocks (sec. 809 of House bill; sec. 803 of Senate amendment)	Naphtha and motor fuel blending stocks are classified in part 1, part 2, or part 10 of schedule 4, depending on the specific characteristics of the blending stock.	Creates a single provision applicable to "motor fuel blending stocks," requires verification that they are to be used in manufacturing motor fuels, and provides a tariff rate identical to those on imported motor fuel, 1.25 cents per gallon col. 1 and 2.5 cents per gallon col. 2.	Identical to House bill.

Item	Present Law	House Bill	Senate Amendment
11. Television apparatus and parts (sec. 811 of House bill; sec. 811 of Senate amendment)	Color picture tubes are dutiable at col. 1 rate of 15% ad valorem and col. 2 rate of 60% ad valorem. Color assemblies are dutiable at a col. 1 rate of 5% ad valorem, and a col. 2 rate of 35%.	Closes a loophole created by the customs ruling that picture tubes shipped in separate containers with an equal number of assemblies are dutiable at 5% ad valorem as assemblies rather than 15% as picture tubes. Provides for a duty increase phase-in period on such picture tubes to be dutiable at 11% ad valorem through Oct. 31, 1987. Suspends duty on color picture tubes less than 12 inches through Dec. 31, 1990, and on color tubes 30 inches and over through Sept. 30, 1988.	Identical to House bill.
12. Marking of watches and watch components (sec. 814 of House bill; sec. 804 of Senate amendment)	Requires that any movement, case, or dial imported be conspicuously and indelibly marked with country of manufacture; name of manufacturer or purchaser; the number of jewels, if any; and the number and classes of adjustments.	Retains present marking requirements except for 5 changes: eliminates dials from marking requirements; requires "legible" rather than "conspicuous" marking; allows "mold-marking;" deletes the requirement concerning adjustments, and gives the manufacturer the option of marking either the watch case or the bezel.	Substantially the same as House bill, except retains "conspicuous" marking requirement and contains no option of marking on watch case or bezel.
13. Casein (sec. 801 of House bill; sec. 812 of Senate amendment)	Imported casein is currently classified in schedule 4 of the TSUS which covers chemicals and related products. These imports enter duty-free.	Reclassifies casein into schedule 1, which covers agricultural products. Casein would remain duty-free.	Identical to House bill.
14. Color couplers and coupler intermediates (sec. 821 of House bill; sec. 821 of Senate amendment)	The duties on photographic coupler intermediates and photographic color couplers were suspended through Sept. 30, 1985.	Amends suspension description to exempt from suspension the color coupler commonly referred to as C-1 and extends suspension of duty through Dec. 31, 1990. Retroactive to Sept. 30, 1985.	Identical to House bill.

	Item	Present Law	House Bill	Senate Amendment
15.	Potassium 4-sulfobenzoate (sec. 822 of House bill; sec. 822 of Senate amendment)	Col. 1 rate of duty 1.7 cents per pound plus 17.9% ad valorem.	Suspends col. 1 duty through Dec. 31, 1990.	Identical to House bill.
16.	2,2'-Oxamidobis [ethyl-3-(3,5-di-tert-butyl-4-hydroxyphenyl) propionate] (sec. 823 of House bill; sec. 823 of Senate amendment)	Col. 1 rate of 13.5% ad valorem.	Suspends col. 1 duty through Dec. 31, 1990.	Identical to House bill.
17.	Dicyclohexylbenzothiazylsulfenamide (sec. 824 of House bill; sec. 846 of Senate amendment)	Col. 1 rate of 1.7 cents per pound plus 16.2% ad valorem.	Suspends col. 1 duty through Dec. 31, 1990.	Identical to House bill.
18.	2,4-Dichloro-5-sulfamoylbenzoic acid (sec. 825 of House bill; sec. 824 of Senate amendment)	Col. 1 duty rate of 1.7 cents per pound plus 18% ad valorem.	Suspends col. 1 duty through Dec. 31, 1990.	Identical to House bill.

Item	Present Law	House Bill	Senate Amendment
19. Derivatives of N-[4-(2-hydroxy-3-phenoxypropoxy) phenyl]-acetamide (sec. 826 of House bill; sec. 825 of Senate amendment)	Col. 1 duty rate of 1.7 cents per pound plus 13.6% ad valorem, but not less than the highest rate applicable to any component material.	Suspends col. 1 duty through Dec. 31, 1990.	Identical to House bill.
20. 1,2-dimethyl-3,5-diphenylpyrazolium methyl sulfate (difenzoquat methyl sulfate) (sec. 827 of House bill; sec. 882 of Senate amendment)	Col. 1 duty rate of 13.5% ad valorem.	Suspends col. 1 duty through Dec. 31, 1990.	Identical to House bill.
21. Dicofol (sec. 828 of House bill; sec. 832(a) of Senate amendment)	Duty temporarily reduced from 13.7% to 8.6% ad valorem through Sept. 30, 1985.	Suspends col. 1 duty through Dec. 31, 1990. Retroactive to Sept. 30, 1985.	Identical to House bill.
22. Certain knitwear fabricated in Guam (sec. 829 of House bill; sec. 826 of Senate amendment)	Due to new final rules of origin issued by Customs for textiles, full-fashioned sweaters joined from preshaped parts are treated as a product of the country of origin of the component part.	Continues duty-free treatment by suspending duty on sweaters from Guam assembled from preshaped parts within guidelines of headnote 3(a) and within quota levels through Oct. 31, 1992.	Substantially identical to House bill. Difference in drafting style.

	Item	Present Law	House Bill	Senate Amendment
23.	3,7-Bis(dimethyl-amino)-phenazathionium-chloride (sec. 830 of House bill; sec. 843 of Senate amendment)	Col. 1 duty rate of 20% ad valorem.	Suspends col. 1 duty through Dec. 31, 1990.	Contains end use provision which requires chemical "to be used as a process stabilizer in the manufacture of organic chemicals."
24.	3,5-Dinitro-o-toluamide (sec. 831 of House bill; sec. 827 of Senate amendment)	Col. 1 duty rate of 8.1% ad valorem.	Suspends col. 1 duty through Dec. 31, 1990.	Identical to House bill.
25.	Secondary-butyl chloride (sec. 832 of House bill; sec. 828 of Senate amendment)	Col. 1 duty rate of 18% ad valorem.	Suspends col. 1 duty through Dec. 31, 1990.	Identical to House bill.
26.	Certain nonbenzoid vinyl acetate-vinyl chloride-ethylene terploymers (sec. 833 of House bill; sec. 829 of Senate amendment)	Col. 1 duty rate of 5.3% ad valorem.	Suspends col. 1 duty through Dec. 31, 1990.	Identical to House bill.
27.	Tungsten ore (sec. 834 of House bill; sec. 858 of Senate amendment)	Col. 1 duty rate of 17 cents per pound on tungsten content.	Suspends col. 1 duty through Dec. 31, 1990.	Substantially identical to House bill.

Item	Present Law	House Bill	Senate Amendment
28. Certain stuffed or filled toy figures (sec. 835 of House bill; sec. 876 of Senate amendment)	Certain stuffed toy figures valued over 10 cents per inch of height enter under item 737.30 with a col. 1 duty rate of 5.5% ad valorem. Certain filled toy figures enter under item 737.40 with a col. 1 duty rate of 7% ad valorem.	Suspends col. 1 duty through Dec. 31, 1990, on certain stuffed or filled toy figures not exceeding 25 inches in either length, width, or height.	Identical to House bill.
29. Certain plastic and web sheeting			
(a) Certain plastic sheeting (sec. 867 of House bill; sec. 839(a) of Senate amendment)	Col. 1 rate of duty for plastic sheeting is 5.3% ad valorem.	Suspends col. 1 duty through Dec. 31, 1990.	Identical provision.
(b) Certain plastic web sheeting (sec. 839(b) of Senate amendment)	Col. 1 rate of duty for such web sheeting is 12.5% ad valorem and col. 2 rate is 74% ad valorem.	No provision. (Similar bill, H.R. 1360, introduced on Mar. 31, 1987, by Mr. Frenzel.)	Suspends col. 1 and col. 2 duty through Dec. 31, 1990.
30. Pan American Games (sec. 836 of House bill; sec. 830 of Senate amendment)	No provision.	Grants duty-free entry for personal effects, equipment, and other related articles coming to the Tenth Pan American Games, through Sept. 30, 1987, and provides for duty-free treatment retroactive to Nov. 30, 1986.	Identical to House bill.
31. Doll wig yarns (sec. 868 of House bill; sec. 840 of Senate amendment)	Classified under several items in schedule 3 with duty rates at levels including 6 cents per pound; 10% ad valorem; and 9% ad valorem.	Suspends col. 1 duty on certain specialty yarns of manmade fibers through Dec. 31, 1990.	Identical to House bill.
32. Carding and spinning machines (sec. 837 of House	Col. 1 duty rate of 4.7% ad valorem.	Suspends col. 1 duty on carding and spinning machines except for machines designed for manufacture of combed wool yarns through Dec. 31, 1990.	Identical to House bill.

Item	Present Law	House Bill	Senate Amendment
bill; sec. 831 of Senate amendment)		Amends headnote to provide for duties to be applied to parts of these machines.	
33. Certain bicycle parts (sec. 838 of House bill; sec. 881 of Senate amendment)	Col. 1 duty rates range from 6% to 7.6% ad valorem. Duty on certain bicycle component parts is suspended through June 30, 1986.	Modifies description of certain bicycle component parts and extends suspension under item 912.10 thru Dec. 31, 1990, on certain bicycle parts. Retroactive to June 30, 1986.	Substantially the same as House bill, except makes technical correction to appropriate item numbers for "cable or inner wire for caliper brakes and casing."
	Section 3 of the Foreign Trade Zones Act excepts bicycle component parts from Custom's exemption application to Foreign Trade Zones through June 30, 1986.	Extends the Foreign Trade Zones Act exception through Dec. 31, 1990. Retroactive to June 30, 1986.	
34. 1-(3-Sulfopropyl)pyridinium hydroxide (sec. 839 of House bill; sec. 841 of Senate amendment)	Col. 1 duty rate of 13.5% ad valorem.	Suspends col. 1 duty through Dec. 31, 1990.	Substantially identical to House bill.
35. d-6-Methoxy-alpha-methyl-2-naphthaleneacetic acid and its sodium salt (sec. 840 of House bill; sec. 847 of Senate amendment)	Col. 1 duty rate of 6.8% ad valorem.	Suspends col. 1 duty through Dec. 31, 1990.	Identical to House bill.
36. Dinocap (sec. 841 of House bill; sec. 832(c) of Senate amendment)	Classifed in item 408.16 at a col. 1 duty rate of 11.1% ad valorem and in item 408.38 at a col. 1 rate of 0.8 cents per pound plus 9.7% ad valorem.	Suspends col. 1 duty through Dec. 31, 1990.	Substantially identical to House bill, except for technical differences in tariff nomenclature.

	Item	Present Law	House Bill	Senate Amendment
37.	1,1-Bis(4-chlorophenyl)-2,2,2-trichloroethanol (Dicofol) (sec. 841 of House bill; sec. 832(b) of Senate amendment)	Col. 1 duty rate of 0.8 cents per pound plus 9.7% ad valorem.	Suspends col. 1 duty through Dec. 31, 1990.	Identical to House bill.
38.	Mancozeb, dinocap, stabilizer and application adjuvants (sec. 841 of House bill; sec. 869 of Senate amendment)	Col. 1 duty rate of 0.8 cents per pound plus 9.7% ad valorem.	Suspends col. 1 duty through Dec. 31, 1990.	Substantially identical to House bill, except for technical differences in tariff nomenclature.
39.	Cholestyramine resin USP (sec. 842 of House bill; sec. 842 of Senate amendment)	Col. 1 duty rate of 6.9% ad valorem.	Suspends col. 1 duty through Dec. 31, 1990.	Identical to House bill.
40.	3-Amino-3-methyl-1-butyne (sec. 843 of House bill; sec. 845 of Senate amendment)	Col. 1 duty rate of 7.9% ad valorem.	Suspends col. 1 duty through Dec. 31, 1990.	Identical to House bill.
41.	Maneb, zineb, mancozeb, and metiram (sec. 844 of House bill; sec. 852 of Senate amendment)	Col. 1 duty rate of 3.7% ad valorem but not less than the highest rate applicable to any component material.	Suspends col. 1 duty through Dec. 31, 1990.	Substantially identical to House bill, except for technical differences in tariff nomenclature.

Item	Present Law	House Bill	Senate Amendment
42. Nicotine resins (sec. 845 of House bill; sec. 833 of Senate amendment)	Duty is temporarily suspended for nicotine resin complex in the form of chewing gum through December 31, 1987.	Clarifies the definition of nicotine resin complex to include measured doses in chewing gum form and extends suspension through Dec. 31, 1990. Retroactive to Nov. 14, 1984.	Identical to House bill.
43. Hosiery knitting machines and needles (sec. 846 of House bill; secs. 879, 880, 893(a)(11), 893(a)(12) of Senate amendment)	Single cylinder fine gauge hosiery knitting machines and double cylinder jacquard hosiery knitting machines are dutiable at a col. 1 rate of 4.4% ad valorem under item 670.16. Duty was suspended through Sept. 30, 1985, under item 912.08.	Provides for duty-free treatment retroactive to Sept. 30, 1985, under new item 912.29. Item 912.08 is repealed.	Identical in substance to House bill. Difference in drafting style.
	Double cylinder hosiery knitting machines are dutiable under item 670.16 at a col. 1 duty rate of 4.4% ad valorem.	Suspends the col. 1 duty through Dec. 31, 1990, for all double cylinder hosiery machines provided for in item 670.16 under new item 912.29.	Identical in substance to House bill. Difference in drafting style.
	Double headed latch needles are dutiable at a col. 1 rate of 10% ad valorem in item 670.58. Duty was suspended through June 30, 1985, under item 912.09.	Provides for duty-free treatment retroactive to July 1, 1985, under new item 912.28. Item 912.09 is repealed.	Identical in substance to House bill. Difference in drafting style.
	Latch needles are dutiable at a col. 1 rate of 10% ad valorem under item 670.58. All other needles for knitting machines (but not including spring-beard needles under item 670.60) are dutiable at a col. 1 rate of 23 cents per 1,000 and 8.2% ad valorem under item 670.62.	Suspends the col. 1 duty through Dec. 31, 1990, for needles provided for in items 670.58 and 670.62 under new item 912.28.	Identical in substance to House bill. Differences in drafting style.

77-750 O - 87 - 17

Item	Present Law	House Bill	Senate Amendment
44. Extension of certain existing suspensions (sec. 869 of House bill; sec. 893 of Senate amendment)			
(1) Hot red peppers and salt (sec. 869(1) of House bill; sec. 893(a)(1) of Senate amendment)	Col. 1 duty rate of 12% and 17.5% ad valorem. Duty suspended through June 30, 1985.	Reinstates suspension through Dec. 31, 1990. Retroactive to June 30, 1985.	Identical to House bill.
(2) Cantaloupes (sec. 869(2) of House bill; sec. 893(a)(2) of Senate amendment)	Col. 1 duty rate of 35% ad valorem. Duty suspended from Jan. 1 to May 15 until May 15, 1985.	Reinstates suspension on cantaloupes imported from Jan. 1 to May 15 through Dec. 31, 1990. Retroactive to May 15, 1985.	Identical to House bill.
(3) Certain wools (sec. 869(3) of House bill; sec. 893(a)(3) of Senate amendment)	Col. 1 duty rate ranges from duty-free to 5 cents per pound. Duty suspended through June 30, 1985.	Reinstates suspension through Dec. 31, 1990. Retroactive to June 30, 1985.	Identical to House bill.
(4) Needlecraft display models (sec. 869(4) of House bill; sec. 893(a)(4) of Senate amendment)	Col. 1 duty rates range from 7% to 25% ad valorem. Duty suspended through June 30, 1985.	Reinstates suspensions through Dec. 31, 1990. Retroactive to June 30, 1985.	Identical to House bill.

Item	Present Law	House Bill	Senate Amendment
(5) Triphenyl phosphate (sec. 869(5) of House bill; sec. 893(a)(5) of Senate amendment)	Col. 1 duty rate of 17.7% ad valorem plus .1 cent per pound. Duty suspended through Sept. 30, 1985.	Reinstates suspension through Dec. 31, 1990. Retroactive to September 30, 1985.	Identical to House bill.
(6) Sulfapyridine (sec. 869(8) of House bill; sec. 893(a)(7) of Senate amendment)	Col. 1 duty rate of 11.6% ad valorem. Duty suspended through Dec. 31, 1985.	Reinstates suspension through Dec. 31, 1990. Retroactive to December 31, 1985.	Identical to House bill.
(7) Synthetic rutile (sec. 869(9) of House bill; sec. 893(a)(8) of Senate amendment)	Col. 1 duty rate of 5% ad valorem. Duty suspended through June 30, 1982.	Reinstates suspension of duty through Dec. 31, 1990.	Identical to House bill.
(8) Certain clock radios (sec. 869(10) of House bill; sec. 893(a)(9) of Senate amendment)	Col. 1 duty rate of 6% ad valorem. Duty suspended through Dec. 31, 1986.	Reinstates suspension through Dec. 31, 1990. Retroactive to December 31, 1986.	Identical to House bill.

Item	Present Law	House Bill	Senate Amendment
(9) Machines designed for heat-set, stretch texturing of continuous man-made fibers (sec. 869(11) of House bill; sec. 893(a)(10) of Senate amendment)	Col. 1 duty rate of 4.2% ad valorem. Duty suspended through Dec. 31, 1985.	Reinstates suspension through Dec. 31, 1990. Retroactive to December 31, 1985.	Identical to House bill.
(10) Stuffed dolls, certain toy figures, and skins thereof (sec. 869(13) of House bill; sec. 893(a)(14) of Senate amendment)	Col. 1 duty rate of 12%, 7%, and 7% ad valorem, respectively. Duty suspended through Dec. 31, 1985.	Reinstates suspension through Dec. 31, 1990. Retroactive to December 31, 1985.	Identical to House bill.
(11) Umbrella frames (sec. 869(14) of House bill; sec. 893(a)(15) of Senate amendment)	Col. 1 duty rate of 12% ad valorem. Duty suspended through Dec. 31, 1986.	Reinstates suspension through Dec. 31, 1990. Retroactive to December 31, 1986.	Identical to House bill.
(12) Crude feathers and down (sec. 869(15) of House bill; sec. 893(b)(1) of Senate amendment)	Col. 1 duty rate of 7.5% ad valorem. Duty suspended through Dec. 31, 1987.	Reinstates suspension through Dec. 31, 1990.	Identical to House bill.

Item	Present Law	House Bill	Senate Amendment
45. Relief of telescope, W.M. Keck Observatory project, Mauna Kea, Hawaii (sec. 877(a) of House bill; sec. 895 of Senate amendment)	No provision.	Provides duty-free entry for the telescope structure, the observatory domes, and the primary mirror blanks to be used in the W.M. Keck Observatory Project, Mauna Kea, Hawaii.	Identical to House bill.
46. Relief of Rukert Marine Corp. of Baltimore, Maryland (sec. 877(b) of House bill; sec. 899 of Senate amendment)	No provision.	Provides for reliquidation and refund of dumping duties on 16 entries of methionine entered in 1976 and 1977.	Identical to House bill.
47. Relief of Minimet, Inc., New York (sec. 877(c) of House bill; sec. 899A of Senate amendment)	No provision.	Provides for reliquidation and duty free treatment on 4 entries of tubular tin produced in 1979.	Identical to House bill.

Item	Present Law	House Bill	Senate Amendment
		IMPLEMENTATION OF NAIROBI PROTOCOL	
48. Implementation of Nairobi Protocol (secs. 881-894 of House bill; sec. 950 of Senate amendment)	The Trade and Tariff Act of 1982 provided for temporary implementation of the terms of the Nairobi Protocol. The applicable provisions expired Aug. 11, 1985.	Repeals 1982 Act, permits ratification of Protocol and makes the following other changes: Amends, repeals, and creates tariff provisions to incorporate the duty-free treatment of certain articles agreed to by the United States. Provides duty-free entry for specified printed matter, photographic films, specified visual and auditory material, tools for use with scientific instruments and apparatus, and most imported articles for the blind or for other physically or mentally handicapped persons. Empowers the President to terminate or narrow, or impose conditions on, the duty-free treatment granted to the tools for scientific instruments and articles for the handicapped. Permits the President to expand the scope of the duty-free treatment of the visual and auditory material. Modifies procedures to obtain duty-free eligibility for scientific apparatus and provides for collection of statistical information for imports of articles for the handicapped. Retroactive to August 12, 1985.	Substantially the same as House bill, except there is no section equivalent to section 891 which modifies procedure to obtain duty-free eligibility for scientific apparatus.

	Item	Present Law	House Bill	Senate Amendment
49.	Certain work gloves (sec. 806 of House bill; sec. 806 of Senate amendment)	Work gloves without fourchettes and produced from plastics or rubber-coated fabric which has been cut into pieces and sewn together are classified in item 705.86, (col. 1 rate of 14% ad valorem), as gloves of rubber or plastics.	Amends headnote 5(a) to schedule 3 and headnote 1 to subpart 7-1-C to designate as textile products all work gloves without fourchettes and having a textile component which are coated, filled, impregnated, or laminated with rubber or plastics, thereby subjecting them to tariff rates based on component man-made or cotton fibers and method of construction.	Substantially the same as House bill.
50.	Slabs of iron or steel (sec. 810 of House bill; sec. 805 of Senate amendment)	Headnote 3(c) to subpart 6-2-B defines slabs as being "...not over 6 inches in thickness". Products over 6 inches thick, but otherwise meeting the slab definition, are classified as "ingots" (items 606.67 & 606.69) if continuously cast, or as "plates" (items 607.66, 607.72, 607.76, and 607.78) if rolled from ingots.	Redefines slabs by deleting "and not over 6 inches" from headnote 3(c). The effect is to change the col. 1 tariff treatment of slabs over 6 inches thick and rolled from ingots, as follows: -Carbon steel (reduced from 6% ad valorem to 4.2% ad valorem) -Stainless steel and tool steel (reduced from 9.5% ad valorem to 5.1% ad valorem) -Other alloy steel (increased from 3.8% ad val to 5.1% ad valorem.	Identical to House bill.
51.	Extracorporeal shock wave lithotripters (sec. 812 of House bill; sec. 808 of Senate amendment)	Customs classifies extracorporeal shock wave lithotripters as "electro-surgical apparatus" under item 709.15, with a col. 1 rate of 7.9% ad valorem.	Amends article description of item 709.15 to "electro-surgical apparatus other than extracorporeal shock wave lithotripters", thereby changing the classification of these apparati to item 709.17 ("other electro-medical apparatus, and parts thereof"), with a col. 1 rate of 4.2% ad valorem retroactive to Dec. 31, 1982.	Substantially identical to House bill. Difference in drafting style.

Item	Present Law	House Bill	Senate Amendment
52. Lithotripters -- nonprofit organizations (sec. 866 of House bill; sec. 838 of Senate amendment)	Nonprofit organizations import extracorporeal shock wave lithotripters under item 709.15 with a col. 1 rate of 7.9% ad valorem.	Suspends col. 1 duty rates on extracorporeal shock wave lithotripters as provided for in items 709.15 and 709.17 for nonprofit organizations between Dec. 31, 1982, and Dec. 31, 1987.	Identical to House bill, excent refers only to item 709.17.
53. Silk yarn (sec. 847 of House bill; sec. 834 of Senate amendment)	Imports of colored, plied 100-percent silk yarn spun wholly from noncontinuous fibers enter under item 308.51 with a col. 1 rate of 5% ad valorem.	Suspends the col. 1 duty on the subject yarn through Dec. 31, 1990.	Identical to House bill.
54. 3-Ethylamino-p-cresol (sec. 848 of House bill; sec. 872 of Senate amendment)	Imports of 3-ethylamino-p-cresol enter under item 404.96, with a col. 1 rate of 7.8% ad valorem.	Suspends the col. 1 rate on 3-ethylamino-p-cresol through Dec. 31, 1990.	Identical to House bill.
55. Chlor amino base (sec. 849 of House bill; sec. 859 of Senate amendment)	Imports of chlor amino base (or 4-chloro-2,5-dimethoxy-aniline) enter under item 405.01, with a col. rate of 6.1% ad valorem.	Suspends the col. 1 duty on chlor amino base through Dec. 31, 1990.	Identical to House bill, except retroactive to Dec. 31, 1985.
56. Certain organic chemicals			
a. 2,2-Bis-(4-cyanatophenyl) (sec. 850 of House bill; sec. 849 of Senate amendment)	Col. 1 rate for item 405.82 is 13.5% ad valorem.	Suspends col. 1 rate through Dec. 31, 1990.	Identical to House bill.

Item	Present Law	House Bill	Senate Amendment
b. Phenyl-methylaminopy-razole (sec. 852 of House bill; sec. 850 of Senate amendment)	Col. 1 rate for item 406.36 is 5.8% ad valorem.	Suspends col. 1 rate through Dec. 31, 1990.	Identical to House bill.
c. Benzethonium chloride (sec. 855 of House bill; sec. 851 of Senate amendment)	Col. 1 rate for item 408.32 is 10.7% ad valorem.	Suspends col. 1 rate through Dec. 31, 1990.	Identical to House bill.
d. Malononi-trile (sec. 856 of House bill)	Col. 1 rate for item 425.42 is duty-free as of Jan. 1, 1987.	Suspends col. 1 rate through Dec. 31, 1990.	No provision.
e. Metaldehyde (sec. 858 of House bill; sec. 853 of Senate amendment)	Col. 1 rate for item 427.58 is 5.6% ad valorem.	Suspends col. 1 rate through Dec. 31, 1990.	Substantially identical to House bill.
f. Paraldehyde (U.S.P.) (sec. 861 of House bill; sec. 854 of Senate amendment)	Col. 1 rate for item 439.50 is 3.7% ad valorem.	Suspends col. 1 rate through Dec. 31, 1990.	Identical to House bill, except for technical differences in tariff nomenclature.
57. Nitro sulfon B (sec. 851 of House bill; sec. 860 of Senate amendment)	Imports of nitro sulfon B (or 3-nitro-phenyl-4-beta-hydroxy-sulfone) enter under item 406.00, with a col. 1 rate of 6.7% ad valorem.	Suspends col. 1 duty on nitro sulfon B through Dec. 31, 1990.	Substantially identical to House bill, except retroactive to Dec. 31, 1985.

	Item	Present Law	House Bill	Senate Amendment
58.	Terfenadone (sec. 853 of House bill; sec. 835 of Senate amendment)	Imports of terfenadone enter under item 406.42, with a col. 1 rate of 13.5% ad valorem.	Suspends col. 1 duty on terfenadone through Dec. 31, 1990.	Identical to House bill.
59.	Fluazifop-p-butyl (sec. 854 of House bill; sec. 836 of Senate amendment)	Imports of fluazifop-p-butyl (or Butyl(R)-2-[4-[[5-(trifluoromethyl)-2-pyridinyl]oxy]phenoxy]propanoate enter under item 408.23, with a col. 1 rate of 13.5% ad valorem.	Suspends duty on fluazifop-p-butyl through Dec. 31, 1990. There is an error in referencing item 405.23 instead of 408.23.	Identical to House bill, excent corrects technical error.
60.	Sethoxydim (sec. 857 of House bill; sec. 871 of Senate amendment)	Unmixed sethoxydim is classifiable under item 430.20, with a col. 1 rate of 3.7% ad valorem. Other benzoid solutions would enter under item 407.19 with a col. 1 rate of 1.7 cents per lb. plus 13.6% ad valorem but not less than the highest rate applicable to any component compound (in this case, the highest component rate is 7.9% ad valorem).	Suspends the col. 1 duty on sethoxydim provided for in item 407.19 or 430.20 through Dec. 31, 1990.	Identical to House bill.
61.	Certain mixtures of polyacrylate polymers (sec. 859 of House bill; sec. 865 of Senate amendment)	Absorbent chemical material of one or more cross-linked sodium polyacrylate polymers are classifiable under item 430.20, with a col. 1 rate of 3.7% ad valorem, but not less than the highest rate applicable to any component compound.	Suspends duty on this material through Oct. 31, 1987, and provides for duty-free treatment retroactive to July 1, 1985.	Substantiallv the same as House bill, except retroactive to June 30, 1985, and has technical differences in tariff nomenclature.
62.	Cyclosporine (sec. 860 of House bill; sec. 855 of Senate amendment)	Imports of cyclosporine enter under item 439.30, with a col. 1 rate of 1.5% ad valorem.	Suspends duty on cyclosporine through Dec. 31, 1990.	Identical to House bill.

	Item	Present Law	House Bill	Senate Amendment
63.	Glass inners (sec. 862 of House bill; sec. 856 of Senate amendment)	Imports of glass inners enter under items 545.31, 545.34, 545.35, and 545.37, depending upon their capacity. Col. 1 rates are 2 cents each + 10.4% ad valorem, 2.8 cents each + 8% ad valorem, 4 cents each + 8% ad valorem, and 6 cents each + 8% ad valorem, respectively.	Reduces col. 1 rates for items 545.31, 545.34, 545.35, and 545.37 to a col. 1 rate of 9% ad valorem through Dec. 31, 1990.	Identical to House bill.
64.	Certain offset printing presses of the sheet-fed type weighing 3,500 pounds or more (sec. 863 of House bill)	Imports of the printing presses in question enter under item 668.21, with a col. 2 rate of 25% ad valorem. Parts are dutiable at the same rate under item 668.50.	Reduces the col. 2 rate for item 668.21 to 10% ad valorem through Dec. 31, 1990.	No provision.
65.	Jacquard cards (sec. 864 of House bill; sec. 848 of Senate amendment)	Imports of jacquard cards enter under item 670.56, with a col. 1 rate of 7% ad valorem.	Suspends duty on jacquard cards through Dec. 31, 1990.	Substantially the same as House bill, except suspends, in addition, duty on jacquard heads through Dec. 31, 1990.
66.	Parts of certain photocopying machines (sec. 865 of House bill; sec. 837 of Senate amendment)	Imports of parts for indirect-process electrostatic photocopying machines enter under item 676.56, with a col. 1 rate of 3.9% ad valorem.	Suspends the col. 1 rates for parts for indirect-process electrostatic photocopiers provided for in item 676.56 through Dec. 31, 1990.	Identical to House bill.
67.	Menthol feedstocks (sec. 869(6) of House bill; sec. 893(b)(2) of Senate amendment)	Imports of menthol feedstocks (specifically, crude mixtures of optical isomers of menthol) are classifiable in item 407.19, but receive temporary duty-free treatment under item 907.13 (expires Dec. 31, 1987).	Continues current duty suspension through Dec. 31, 1990.	Identical to House bill.

Item	Present Law	House Bill	Senate Amendment
68. Ethylbiphenyl isomer mixture (sec. 869(7) of House bill; sec. 893(a)(6) of Senate amendment)	Imports of mixtures of 3-ethylbiphenyl and 4-ethylbiphenyl enter under item 407.19, with a col. 1 rate of 1.7 cents/lb. + 13.6% ad valorem, but not less than the highest rate applicable to any component material. Duty on these mixtures had been temporarily suspended through June 30, 1985.	Reinstates suspension of col. 1 duty on these mixtures retroactive to June 30, 1985, through Dec. 31, 1990. "Isomeric" has typographical error.	Identical to House bill, excent corrects typographical error.
69. Certain small toys and jewelry (sec. 869(12) of House bill; sec. 893(a)(13) of Senate amendment)	Duties on small toys (except balloons, marbles, dice, and diecast vehicles) provided for in schedule 7, subparts 5D and 5E, valued not over 5 cents per unit; and jewelry (except parts) provided for in schedule 7, subpart 6A, valued not over 1.6 cents per piece, are temporarily suspended (item 912.20, expires Dec. 31, 1986).	Reinstates the duty-free treatment of these articles through Dec. 31, 1990. Retroactive to Dec. 31, 1986.	Identical to House bill.

	Item	Present Law	House Bill	Senate Amendment
70.	Certain benzenoid chemicals (sec. 810 of Senate amendment)	The subject chemicals are classified under item 405.09 (col. 1 duty rate of 13.5% ad valorem and a col. 2 duty rate of 7 cents per pound plus 50% ad valorem).	No provision. (H.R. 2154 introduced on Apr. 23, 1987, by Mr. Pinaldo.)	Reclassifies 10 specific chemicals: 5 chemicals under item 404.84 and 5 under item 404.92. Col. 1 rate is 5.8% ad valorem for both and col. 2 rates are 7 cents per pound plus 39.5% ad valorem and 7 cents per pound plus 39% ad valorem, respectively. Also, removes two chemicals from the existing item classification but does not reclassify.
71.	1,5 Naphthalene diisocyanate (sec. 844 of Senate amendment)	Col. 1 duty rate of 13.5% ad valorem.	No provision. (H.R. 2441 introduced on May 18, 1987, by Mr. Coyne.)	Suspends col. 1 rate of duty through Dec. 31, 1990.
72.	Benzenoid dye intermediates (sec. 857 of Senate amendment)	Col. 1 duty rate ranges from 5.8% to 20% ad valorem on these 12 benzenoid dye intermediates.	No provision. (H.R. 1462 introduced on Mar. 5, 1987, by Mr. Schulze.)	Suspends col. 1 rate of duty through Dec. 31, 1990.
73.	4-chloro-2-nitro aniline (sec. 861 of Senate amendment)	Col. 1 duty rate of 1.1 cents per pound plus 18.8% ad valorem.	No provision. (Similar bill, H.R. 1287, introduced on Feb. 26, 1987, by Mr. Duncan.)	Suspends col. 1 rate of duty through Dec. 31, 1990. Retroactive to Dec. 31, 1986.

77-750 O - 87 - 18

	Item	Present Law	House Bill	Senate Amendment
74.	Amino sulfon br (sec. 862 of Senate amendment)	Col. 1 duty rate of 6.7% ad valorem.	No provision. (Similar bill, H.R. 1285, introduced on Feb. 26, 1987, by Mr. Duncan.)	Suspends col. 1 duty rate through Dec. 31, 1990. Retroactive to Dec. 31, 1986.
75.	Acet quinone base (sec. 863 of Senate amendment)	Col. 1 duty rate of 13.5% ad valorem.	No provision. (H.R. 1362 introduced on Mar. 3, 1987, by Mr. Guarini.)	Suspends col. 1 duty rate through Dec. 31, 1990. Retroactive to Dec. 31, 1986.
76.	Diamino phenetole sulfate (sec. 864 of Senate amendment)	Col. 1 duty rate of 13.5% ad valorem.	No provision. (Similar bill, H.R. 1286, introduced on Feb. 26, 1987, by Mr. Duncan.)	Suspends col. 1 duty rate through Dec. 31, 1990. Retroactive to Dec. 31, 1986.
77.	Diphenylguanidine and di-ortho-tolylguanidine (sec. 866 of Senate amendment)	Duty is temporarily suspended through Dec. 31, 1987, under item 906.50.	No provision. (Similar bill, H.R. 2385, introduced on May 12, 1987, by Mr. Pease.)	Suspends col. 1 duty rate under new item number 908.06 through Dec. 31, 1990.
78.	N-ethyl-o-toluenesulfonamide and n-ethyl-p-toluenesulfonamide (sec. 867 of Senate amendment)	Col. 1 rate of duty 0.1 cent per pound plus 17.7% ad valorem.	No provision.	Suspends col. 1 rate of duty through Dec. 31, 1990.

	Item	Present Law	House Bill	Senate Amendment
79.	6-amino-1-naphthol-3-sulfonic acid (sec. 868 of Senate amendment)	Duty is temporarily suspended through Dec. 31, 1987 under item 907.34.	No provision. (H.R. 1526 introduced on Mar. 10, 1987, by Mr. Solomon.)	Suspends col. 1 rate of duty under new item 908.08 through Dec. 31, 1990.
80.	B-Naphthol (sec. 870 of Senate amendment)	Duty is temporarily suspended through Dec. 31, 1987, under item 907.31.	No provision. (H.R. 2274 introduced on May 5, 1987, by Mr. Vander Jagt.)	Suspends col. 1 duty rate under new item 908.10 through Dec. 31, 1990.
81.	Rosachloride lumps (sec. 873 of Senate amendment)	Col. 1 rate of duty 1.7 cents per pound plus 15.6% ad valorem.	No provision. (H.R. 2080 introduced on Apr. 9, 1987, by Mr. Solomon.)	Suspends col. 1 rate of duty through Dec. 31, 1990.
82.	C-amines (sec. 874 of Senate amendment)	Col. 1 rate of duty 1.1 cents per pound plus 18.8% ad valorem.	No provision. (H.R. 2280 introduced on May 5, 1987, by Mr. Vander Jagt.)	Suspends col. 1 rate of duty through Dec. 31, 1990.
83.	Diamino imid sp (sec. 875 of Senate amendment)	Col. 1 rate of duty 13.5% ad valorem.	No provision. (H.R. 2289 introduced on May 5, 1987, by Mr. Vander Jagt.)	Suspends col. 1 rate of duty through Dec. 31, 1990.
84.	Tetraaminobi-phenyl (sec. 877 of Senate amendment)	Duty is temporarily suspended through Dec. 31, 1988, under item 907.32.	No provision. (Similar bill, H.R. 2457, introduced on May 18, 1987, by Mr. Spratt.)	Suspends col. 1 rate of duty through Dec. 31, 1990, under new item 908.13.
85.	Kitchenware of transparent, nonglazed glass ceramics (sec. 878 of Senate amendment)	Col. 1 duty rate of 6.9% ad valorem.	No provision. H.R. 2281 introduced on May 5, 1987, by Mr. McGrath.)	Suspends col. 1 rate of duty through Dec. 31, 1989.

	Item	Present Law	House Bill	Senate Amendment
86.	Frozen cranberries (sec. 883 of Senate amendment)	Col. 1 duty rate of 6% ad valorem.	No provision.	Suspends col. 1 rate of duty through Dec. 31, 1990.
87.	Triallate (sec. 884 of Senate amendment)	Col. 1 duty rate of 3.7% ad valorem and col. 2 duty rate of 25% ad valorem.	No provision. (Similar bill, H.R. 2453, introduced on May 18, 1987, by Mr. Pickle.)	Suspends col. 1 rate of duty through Dec. 31, 1990.
88.	m-nitro-p-anisidine (sec. 885 of Senate amendment)	Col. 1 duty rate of 13.5% ad valorem.	No provision. (Similar bill, H.R. 1556, introduced on Mar. 10, 1987, by Mr. Gradison.)	Suspends col. 1 rate of duty through Dec. 31, 1990.
89.	4-chloro-o-nitroaniline (sec. 886 of Senate amendment)	Col. 1 duty rate of 1.1 cents per pound plus 18.1 % ad valorem.	No provision. (Similar bill, H.R. 1556, introduced on Mar. 10, 1987, by Mr. Gradison.)	Suspends col. 1 rate of duty through Dec. 31, 1990.
90.	m-nitro-o-anisidine (sec. 887 of Senate amendment)	Col. 1 duty rate of 13.5% ad valorem.	No provision. (Similar bill, H.R. 1556, introduced on Mar. 10, 1987, by Mr. Gradison.)	Suspends col. 1 rate of duty through Dec. 31, 1990.
91.	p-nitro-ortho-toluidine (sec. 888 of Senate amendment)	Col. 1 duty rate of 1.1 cents per pound plus 18.8% ad valorem.	No provision. (Similar bill, H.R. 1556, introduced on Mar. 10, 1987, by Mr. Gradison.)	Suspends col. 1 rate of duty through Dec. 31, 1990.
92.	Phenylcarbethoxypyrazolone (sec. 889 of Senate amendment)	Col. 1 duty rate of 1.7 cents per pound plus 16.2% ad valorem.	No provision. (Similar bill, H.R. 1556, introduced on Mar. 10, 1987, by Mr. Gradison.)	Suspends col. 1 rate of duty through Dec. 31, 1990.
93.	p-nitro-o-anisidine (sec. 890 of Senate amendment)	Col. 1 duty rate of 1.7 cents per pound plus 15.6% ad valorem.	No provision. (Similar bill, H.R. 1556, introduced on Mar. 10, 1987, by Mr. Gradison.)	Suspends col. 1 rate of duty through Dec. 31, 1990.

	Item	Present Law	House Bill	Senate Amendment
94.	Carbodiimides (sec. 891 of Senate amendment)	Col. 1 duty rate of 15% ad valorem.	No provision. (H.R. 2331 introduced on May 7, 1987, by Mr. Walgren.)	Suspends col. 1 rate of duty through Dec. 31, 1990.
95.	Triethylene glycol dichloride (sec. 892 of Senate amendment)	Col. 1 duty rate of 12.3% ad valorem.	No provision. (H.R. 2420 introduced on May 13, 1987, by Mr. Schulze.)	Suspends col. 1 rate of duty through Dec. 31, 1990.
96.	Mixtures of 5-chloro-2-methyl-4-isothiazolin-3-one, 2-methyl-4-isothiazolin-3-one, magnesium chloride, stabilizers and application adjuvants (sec. 892A of Senate amendment)	Col. 1 duty rate of 3.7% ad valorem but not less than the highest rate applicable to any component material.	No provision. (H.R. 2257 introduced on Apr. 30, 1987, by Mr. Schulze.)	Suspends col. 1 rate of duty through Dec. 31, 1990.
97.	2-n-octyl-4-isothiazolin-3-one, and mixtures of 2-n-octyl-4-isothiazolin-3-one and application adjuvants (sec. 892B of Senate amendment)	Col. 1 duty rate of 7.9% ad valorem under item 425.52 and 3.7% ad valorem, but not less than the highest rate applicable to any component compound under item 430.20.	No provision. (H.R. 2256 introduced on Apr. 30, 1987, by Mr. Schulze.)	Suspends col. 1 rate of duty through Dec. 31, 1990.
98.	m-hydroxybenzoic acid (sec. 892C of Senate amendment)	Col. 1 duty rate of 5.8% ad valorem.	No provision. (H.R. 2255 introduced on Apr. 30, 1987, by Mr. Schulze.)	Suspends col. 1 rate of duty through Dec. 31, 1990.

	Item	Present Law	House Bill	Senate Amendment
99.	5-chloro-2-methyl-4-iso-thiazolin-3-one, 2-methyl-4-isothiazolin-3-one, magnesium chloride and magnesium nitrate (sec. 892D of Senate amendment)	Col. 1 duty rate of 3.7% ad valorem, but not less than the highest rate applicable to any component material.	No provision. (H.R. 2258 introduced on Apr. 30, 1987, by Mr. Schulze.)	Suspends col. 1 rate of duty through Dec. 31, 1990.
100.	Weaving machines for fabrics in excess of 16 feet width (sec. 892E of Senate amendment)	Col. 1 duty rate of 4.7% ad valorem.	No provision. (H.R. 2483 introduced on Apr. 30, 1987, by Mr. Roth.)	Suspends col. 1 rate of duty through Dec. 31, 1990.
101.	Barbituric acid (sec. 892F of Senate amendment)	Col. 1 duty rate of 5% ad valorem.	No provision. (H.R. 2390 introduced on May 12, 1987, by Mr. Torricelli.)	Suspends col. 1 rate of duty through Dec. 31, 1990.
102.	3-methyl-5-pyrazolone (sec. 892G of Senate amendment)	Col. 1 duty rate of 7.9% ad valorem.	No provision. (H.R. 2390 introduced on May 12, 1987, by Mr. Torricelli.)	Suspends col. 1 rate of duty through Dec. 31, 1990.
103.	3-Methyl-1-(p-tolyl)-2-pyra-zolin-5-one (p-tolyl methyl pyrazolone) (sec. 892H of Senate amendment)	Col. 1 duty rate of 5.8% ad valorem.	No provision. (H.R. 2390 introduced on May 12, 1987, by Mr. Torricelli.)	Suspends col. 1 rate of duty through Dec. 31, 1990.

	Item	Present Law	House Bill	Senate Amendment
104.	Flecainide acetate (sec. 893(b)(3) of Senate amendment)	Duty is temporarily suspended through Dec. 31, 1987.	No provision. (H.R. 1594 introduced on Mar. 12, 1987, by Mr. Frenzel.)	Extends duty suspension through Dec. 31, 1990.
105.	o-Benzyl-p-chlorophenol (sec. 893(b)(4) of Senate amendment)	Duty is temporarily suspended through Dec. 31, 1987.	No provision. (H.R. 2362 introduced on May 11, 1987, by Mr. Carper.)	Extends duty suspension through Dec. 31, 1990.
106.	2-(4-Amino-phenyl)-6-methylbenzo-thiazole-7-sulfonic acid (sec. 893(b)(5) of Senate amendment)	Duty is temporarily suspended through Dec. 31, 1987.	No provision. (Similar bill, H.R. 1527, introduced on Mar. 10, 1987, by Mr. Solomon.)	Extends duty suspension through Dec. 31, 1990.
107.	m-toluic acid (sec. 893(b)(6) of Senate amendment)	Duty is temporarily suspended through Dec. 31, 1987.	No provision. (H.R. 2297 introduced on May 6, 1987, by Mr. Coble.)	Extends duty suspension through Dec. 31, 1990.
108.	Natural graphite (sec. 893(b)(7) of Senate amendment)	Duty is temporarily suspended through Dec. 31, 1987.	No provision. (H.R. 2414 introduced on May 13, 1987, by Ms. Oakar.)	Extends duty suspension through Dec. 31, 1990.
109.	Certain narrow weaving machines (sec. 893(b)(8) of Senate amendment)	Duty is temporarily suspended through Dec. 31, 1987.	No provision. (H.R. 1460 introduced on Mar. 5, 1987, by Mr. Schulze.)	Extends duty suspension through Dec. 31, 1990.

Item	Present Law	House Bill	Senate Amendment
110. Certain lace-braiding machines (sec. 893(b)(9) of Senate amendment)	Duty is temporarily suspended through Dec. 31, 1987.	No provision. (H.R. 1460 introduced on Mar. 5, 1987, by Mr. Schulze.)	Extends duty suspension through Dec. 31, 1990.
111. Certain hover-craft skirts (sec. 893(b)(10) of Senate amendment)	Duty is temporarily suspended through Dec. 31, 1987.	No provision. (H.R. 2436 introduced on May 14, 1987, by Mr. Weldon.)	Extends duty suspension through Dec. 31, 1990.
112. Disposable surgical gowns (sec. 893(c) of Senate amendment)	Duty is temporarily suspended through Dec. 31, 1988.	No provision. (Similar bill, H.R. 2425, introduced on May 13, 1987, by Mr. Whitten.)	Extends duty suspension through Dec. 31, 1990.
113. Sulfathiazole; acetylsulfa-guanidine; sulfamethazine; sulfaguanidine; sulfaquinoxaline and sulfa-nilamide; and iron-dextron complex) (sec. 899C of Senate amendment)	Duty is temporarily suspended through Dec. 31, 1987, on these chemicals.	No provision. (H.R. 2413 introduced on May 13, 1987, by Mr. Nagle.)	Extends duty suspension through Dec. 31, 1990, on these 6 items.

Item	Present Law	House Bill	Senate Amendment
114. Certain extra-corporeal shock wave lithotripter imported for use in Hawaii (sec. 899D of Senate amendment)	No provision.	No provision.	Provides duty-free treatment to all lithotripters imported in October 1986 for use in Hawaii.
	CUSTOMS AND OTHER NONTARIFF ITEMS		
115. GSP treatment of watches (sec. 192 of House bill; sec. 927 of Senate amendment)	Watches are listed as articles which may not be designated as eligible for GSP.	Watches would remain ineligible for GSP except those watches which, if given preferential treatment, will not cause material injury to the watch manufacturing and assembly operations in the U.S. and U.S. insular possessions.	Substantially the same as House bill, except applies to watches entered after June 30, 1989, and includes, in addition, watch bands, straps, and bracelet manufacturing operations.
116. Marking of containers of imported mushrooms (sec. 873(b) of House bill; sec. 929 of Senate amendment)	Sec. 304 of the Tariff Act of 1930 provides for marking of imported articles with the country of origin, which means the country of last substantial transformation.	Provides for imported preserved mushrooms to be marked with the country in which the mushrooms were grown as well as country of origin in order to be considered in compliance with sec. 304.	Identical to House bill.
117. Customs services at Pontiac/-Oakland, Michigan, airport (sec. 878 of House bill; sec. 930 of Senate amendment)	The Trade and Tariff Act of 1984 provides for certain small airports to have customs services available for a user fee.	Adds the Pontiac/Oakland, Michigan, airport to the list of airports to receive customs services for a user fee. Eliminates the maximum number of airports that can be designated for service on a fully reimbursable basis.	Identical to House bill.

Item	Present Law	House Bill	Senate Amendment
118. Customs bond cancellation standards (sec. 871 of House bill; sec. 928 of Senate amendment)	No provision.	Requires the Secretary of the Treasury to publish guidelines establishing standards for setting terms and conditions for the cancellation of bonds.	Identical to House bill.
119. Pornography forfeiture (sec. 876 of House bill; sec. 923 of Senate amendment)	Current law concerning forfeiture of imported pornography has no express time limits within which forfeiture actions must begin or be decided (19 U.S.C. 1305). However, the Supreme Court has interpreted it to include two fixed time limits: (1) judicial proceedings must be instituted within 14 days of seizure; and (2) the final decision must be made within 60 days of filing action. Forfeiture proceedings are allowed only in the district where seizure occurs.	Adds new subsection "(C)" to 19 U.S.C. 1305 to extend time within which forfeiture action must be filed from 14 days to 30 days. Provides for stays of forfeiture action pending resolution of any related constitutional matter. Allows action to be filed in the district to which the seized matter is addressed.	Identical to House bill.
120. Sugar drawback (sec. 875 of House bill; sec. 897 of Senate amendment)	In order to qualify for drawback (refund) of import duties, articles produced in the United States from imported goods must be processed within 3 years, and exported within 5 years, of importation.	Allows drawback (refund) of import duties and section 22 fees (sec. 22 of the Agricultural Adjustment Act, as amended) paid on raw sugar imported from Nov. 1, 1977, to Marc. 31, 1985, provided that production and export of the refined sugar or sugar-containing products occur before Oct. 1, 1991. Export period extends through current expiration date of the domestic price-support program for sugar. The Secretary of Agriculture, in conjunction with the Commissioner of	Identical to House bill.

Item	Present Law	House Bill	Senate Amendment
		Customs, shall study and report back to the Committees on Ways and Means and Finance by June 30, 1988, with respect to circumvention of the United States sugar quota through the importation of refined sugar in the form of blended products. The report shall address the severity of the problem, or lack thereof, and sugget concrete steps, as necessary, to prevent such circumvention.	
121. Marking of Native American style jewelry and arts and crafts (sec. 879 of House bill; sec. 938 of Senate amendment)	Section 304 of the Tariff Act of 1930 requires all imported articles be marked legibly and permanently with the name of the country of origin.	Provides for immediate implementation of proposed customs rule published in the Federal Register on July 15, 1986, regarding marking of Native American style jewelry.	Native American style jewelry and arts and crafts may be considered to be in compliance with the requirements of section 304 only if the English name of the country of origin of such jewelry and arts and crafts is indelibly marked in a conspicuous place on such jewelry and arts and crafts by means of cutting, die-sinking, engraving, stamping, raised lettering, or other equally permanent method of marking. Provides that, for purposes of implementing this section, the Secretary of Treasury shall, upon enactment, use the proposed rule on Native-American style jewelry published on July 15, 1986, or any similar rule. To implement the section with regard to arts and crafts, the Secretary is directed to use a similar rule published in final form within a year of the date of enactment.

Item	Present Law	House Bill	Senate Amendment
122. Prohibition on importation of certain articles produced by convict or forced labor in the Soviet Union (sec. 880 of House bill; sec. 925 of Senate amendment)	Section 307 of Tariff Act of 1930 provides that goods produced abroad by convict labor, forced labor, or indentured labor under penal sanctions are not entitled to entry at any port of the United States.	Sense of Congress requesting the President to instruct the Secretary of the Treasury to enforce section 307.	Precludes the importation of 7 specific items (gold ore, agriculture machinery, tractor generators, tea, crude petroleum, motor fuel, and kerosene) from the Soviet Union because they have been produced by convict or forced labor. Importation of any of these articles may be allowed after the President certifies to the Congress in writing that (1) information clearly shows the article is not being produced with forced labor, or (2) the prohibition on importation directly affects U.S. national security interests.
123. Extension of the filing period for reliquidation of certain entries (sec. 896 of Senate amendment)	Section 308 of the Trade and Tariff Act of 1984 was intended to provide for duty suspension on transistors. A typographical error in the item number (587.70 instead of 687.70) prevented the intended duty suspension. Legislation passed on Oct. 22, 1986, to correct technical error and provide for duty rebate if application made within 90 days.	No provision. (H.R. 3059 introduced on July 30, 1987, by Mr. Archer.)	Permits retroactive duty-free treatment on transistors imported between Mar. 1, 1985, and Nov. 6, 1986, to allow importers who missed filing deadline to receive duty rebate.
124. Ethyl alcohol and mixtures for fuel use (sec. 898 of Senate amendment)	Under the Tax Reform Act of 1986, specific Caribbean feedstock requirements were established in order for ethyl alcohol to receive duty-free treatment under the CBI program or from U.S. insular possessions. Under a "grandfather clause" several companies were entitled to continue receiving duty-free treatment irrespective of the feedstock requirement for a limited period of time.	No provision.	Amends two of the grandfather provisions to 1) allow installation of facilities in a U.S. insular possession as well as a CBI beneficiary country and 2) extends the effective period for one company from one year to 2 years.

Item	Present Law	House Bill	Senate Amendment
125. Duty-free sales enterprises (sec. 921 of Senate amendment)	No provision.	No provision. (Similar bill, H.R. 2336, introduced on May 8, 1987, by Mr. Akaka.)	Amends section 555(b) of the Tariff Act of 1930 (19 U.S.C. 1555(b)) to provide for statutory and regulatory control of duty-free enterprises. Requires the Customs Service to establish by regulation a separate class of bonded warehouses for duty-free enterprises. (1) A duty-free shop may be located within the same port of entry from which a purchaser of duty-free merchandise leaves the U.S. customs territory, or within 25 miles from the purchaser's exit point. (2) Each duty-free shop-- (a) is required to establish procedures to provide reasonable assurance that duty-free goods will be exported; (b) if located in an airport store, is required to establsh and enforce, under Customs Service guidelines, restrictions on the sale of duty-free goods to individuals to personal use quantities: (c) is required to display in prominent places notices that the merchandise has not been subject to any Federal duty or tax, must be declared and is subject to duty and tax if brought back into U.S. customs territory, and is subject to customs laws and regulations of any foreign country to which it is taken (it is not required, however, that goods be marked as duty-free);

77-750 0 - 87 - 19

Item	Present Law	House Bill	Senate Amendment
			(d) is permitted to unpack merchandise into saleable units after it is entered for warehouse and placed in a duty-free sales enterprise, without further permits; (e) in the case of a shop located in an airport, is required to deliver the duty-free goods to the purchaser in an area in the airport to which access is restricted to persons leaving the customs territory, at the exit point of a specific departing flight, by placing the goods on the aircraft as baggage, or, if unable in good faith to make delivery by one of the specifically prescribed methods, by any other reasonable method; and (f) in the case of a border store, required to deliver the goods at a merchandise storage location at or beyond the exit point or at any location approved by Customs before the enactment of this bill. (3) If state or local regulation requires that a duty-free shop obtain a concession or other form of approval in order to do busines in an airport, seaport or other exit facility, the operator must demonstrate to Customs that the approval has been obtained before any merchandise incident to the operation may be withdrawn from a bonded warehouse and transferred to or through the facility. (4) No duty-free shop is prohibited from also selling non-duty-free goods, as long as those goods are not stored in a bonded warehouse facility other than a facility used for retail sales.

Item	Present Law	House Bill	Senate Amendment
			(5) Merchandise sold in a duty-free shop is ineligible for duty exemption under schedule 8 of the Tariff Schedules if it is brought back into the U.S. customs territory.
126. Customs user fees (sec. 924 of Senate amendment)	Budget Reconciliation Act of 1986 requires that fees be placed in a dedicated account for expenditures for commercial operations of the Customs Service. Articles entering under items 806.30 and 807.00 of the Tariff Schedules are not subject to payment of fees.	No provision.	Makes the following amendments: (1) Clarifies language regarding the customs user fees by legislating fees are to be treated as receipts offsetting expenditures of salaries and expenses for commercial operations and not as revenues. (2) Prohibits the charging of fees for customs services provided in connection with the arrival or processing of any merchandise used within the boundaries of the International Peace Garden located between North Dakota and Manitoba, Canada. (3) Makes subject to the merchandise user fee the portion of the value of any article described in items 806.30 and 807.00 of the Tariff Schedules that is subject to the imposition of duty. The effective date of these amendments is October 1, 1988, with the exception of the Peace Garden provision (September 30, 1987).

Item	Present Law	House Bill	Senate Amendment
127. Tare on crude oil and petroleum products (sec. 926 of Senate amendment)	U.S. Customs Service regulations (19 CFR 151.46) provide for an allowance for amounts of water and sediment in excess of 0.3% of cargo volume for crude oil imports and in excess of up to 0.5% water and sediment for petroleum product imports.	No provision. (H.R. 2034 introduced on Apr. 9, 1987, by Mr. Archer.)	Amends section 507 of the Tariff Act of 1930 (19 U.S.C. 1507) to provide allowance for all detectable moisture and impurities in determining tare on importing crude oil and petroleum products.
128. Administrative procedures for noncontroversial tariff suspensions (secs. 941-944 of Senate amendment)	No provision.	No provision. (Similar bill, H.R. 2430, introduced on May 14, 1987, by Mr. Gradison, Mr. Andrews, Mr. Chandler, Mr. Crane, Mr. Dorgan of North Dakota, Mr. Gregg, Mr. Stark, and Mr. Vander Jagt.)	Provides for administrative procedures to temporarily suspend duties on the importation of products and runs parallel to current legislative procedure. ITC receives petitions, investigates, provides opportunity for public comment, and reports findings. ITC report is reviewed by the Trade Policy Staff Committee and a recommendation is proposed to President. The President may only suspend the duties on the article if there is no U.S. person who would be adversely affected by the suspension. The revenue loss from the aggregate of these suspensions may not exceed $100 million annually.
129. Effective dates (sec. 816 and 870 of House bill; sec. 894 of Senate amendment)	No provision.	Specifies dates for retroactive application of tariff provisions and allows 180 days to file with Customs for duty rebate.	Substantially the same as House bill except allows 90-day filing period.

Item	Present Law	House Bill	Senate Amendment
130. Customs fraud provisions			
(a) Scofflaw penalties for multiple customs law offenders (sec. 872 of House bill)	The penalties applicable to persons who violate our customs laws in importing merchandise are determined without regard to whether the party has previously been found in violation of such laws.	Directs the Secretary of the Treasury to issue an order prohibiting for a 3-year period, any person, who over a 7-year period has either been convicted of, or assessed a civil penalty for, 3 separate violations of one or more customs laws finally determined to involve fraud or criminal culpability, from importing or engaging others to import any goods or services into the United States. Anyone who violates or knowingly aids or abets the violation of such an exclusion order shall be fined not more than $250,000 or imprisoned not more than 10 years, or both. The Secretary is required to prescribe rules to carry out this section.	No provision.
(b) Private actions for customs fraud (sec. 939 of Senate amendment)	Section 592 of the Tariff Act of 1930 sets forth penalties for violations of customs laws. No private right of action exists, however.	No provision.	Creates a private right of action in the Court of International Trade for interested parties (manufacturers, producers, wholesalers, or trade or business associations of a like or competitive product) whose business or property is injured by any act of fraud or gross negligence that is prohibited under section 592(a). If successful, may recover damages for injuries sustained, including gross margin on his lost sales and impact on the market price from fraudulent act as well as court costs, including attorney's fees. For fraud cases, the burden of proof is "clear and convincing evidence: for gross negligence cases, "preponderance of the evidence."

	Item	Present Law	House Bill	Senate Amendment
131.	Customs Forfeiture Fund (sec. 874 of House bill)	In Public Law 98-573 a "Customs Forfeiture Fund" was established into which net proceeds from forfeitures would be deposited to be available to Customs, subject to appropriation, to pay designated expenses associated with seizure and forfeiture. This fund was inadvertently repealed by section 1152(b) of Public Law 99-570.	Repeals section 1152(b) of Public Law 99-570 to clarify that the Customs Forfeiture Fund still exists.	No provision.
132.	Country of origin marking (sec. 873(a) of House bill)	Section 304(h) of the Tariff Act (19 U.S.C. 1304) provides for a fine of not more than $5000, or imprisonment of not more than one year upon conviction for any person who "with intent to conceal" alters or removes the country of origin marking required under the statutes.	Increases the maximum fine for intentional alteration or removal of country of origin markings to $100,000 on the first offense and $250,000 for subsequent offenses.	No provision.

MOST FAVORED NATION TREATMENT TO PRODUCTS OF ROMANIA

Item	Present Law	House Bill	Senate Amendment
Romanian MFN status (sec. 1501 of House bill; secs. 931-936 of Senate amendment)	Title IV of the Trade Act of 1974 denies MFN treatment to nonmarket economy countries, unless the President waives that prohibition on an annual basis by certifying that a country meets specified conditions relating to freedom of emigration.		
a. Findings (sec. 1501(a) of House bill; sec. 931 of Senate amendment)		General findings about the Government of Romania's overall human rights record and the U.S. commitment to fundamental human rights.	Nearly identical to House bill, except adds one finding noting the recent decline in emigration from Romania, particularly of Jewish emigration.
b. Objectives (sec. 1501(b) of House bill; sec. 932 of Senate amendment)		Sets forth four objectives relating to freedom of emigration and halting persecution and repression on religious, political, or ethnic grounds.	Identical to House bill.
c. Definition of rights review period (sec. 1501(c) of House bill; sec. 933 of Senate amendment)		Defines rights review period as each successive 6-month period following enactment.	Identical to House bill.
d. Suspension of nondiscriminatory treatment for Romanian products (sec. 1501(d) of House bill; sec. 934 of Senate amendment)		Prohibits MFN treatment of Romanian products during the 6-month period beginning after enactment. Authorizes the President to restore MFN during any subsequent 6-month period if (a) he submits to Congress 30 days in advance a document containing his determination that so doing will substantially promote this section's objectives and (b) if Congress does not pass a resolution of disapproval prior to the upcoming 6-month period.	Identical to House bill.

Item	Present Law	House Bill	Senate Amendment
e. Resolution of disapproval (sec. 1501(e) of House bill; sec. 935 of Senate amendment)	Section 152 of the Trade Act of 1974 sets forth procedures and requirements for Congressional resolutions disapproving the President's actions in certain matters, including extension of MFN to nonmarket economy countries. Provides for use of concurrent resolutions in such matters, a mechanism declared by the Supreme Court in 1983 as an unconstitutional one-house veto of Presidential actions.	Shortens time limits provided in present law for Congressional consideration of resolutions of disapproval. Provides for constitutionally acceptable joint resolutions as mechanism for Congressional override of Presidential actions with respect to this section.	Identical to House bill.
f. Inapplicability of certain Title IV provisions (sec. 1501(f) of House bill; sec. 936 of Senate amendment)	Sections 401 and 402 of the Trade Act of 1974 specify the conditions under which the President may grant MFN tariff treatment to the products of nonmarket economy countries.	Rescinds application of sections 401 and 402 with respect to the tariff treatment of Romanian products.	Identical to House bill.

SUBCONFERENCE #2
TRADE AND FOREIGN POLICY

TABLE OF CONTENTS

		Page
1.	Sections of House Bill and Senate Amendment included in Subconference #1	225
2.	Conferees of the House and Senate and Sections for which they are appointed	226
3.	Comparison of House and Senate Provisions with Present Law	230

SECTIONS OF HOUSE BILL AND SENATE AMENDMENT INCLUDED IN SUBCONFERENCE #2 -- TRADE AND FOREIGN POLICY

House bill

Secs. 321, 363, and 907

Senate amendment

Secs. 411-416
Secs. 963-972 and 977

CONFEREES OF THE HOUSE AND SENATE AND SECTIONS FOR WHICH THEY ARE APPOINTED

Sections	House Conferees		Senate Conferees	
Sections 321, 363, and 907 of House bill; Sections 413-415, 963, 967, 977 of Senate amendment	Foreign Affairs (6-4)		Finance (5-4)	
	Fascell	Broomfield	Bentsen	Packwood
	Bonker	Roth	Matsunaga	Chafee
	Mica	Bereuter	Moynihan	Roth
	Berman	Miller (WA)	Baucus	Danforth
	Levine--except Section 321 of House bill		Boren	
	Gejdenson--Section 321 only			
	Bilbray			
Sections 321, 363, and 907 of House bill; Section 977 of Senate amendment	Ways and Means (6-3)			
	Rostenkowski	Crane		
	Gibbons	Frenzel		
	Jenkins	Schulze		
	Downey (NY)			
	Pease			
	Russo			
Section 321 of House bill	Agriculture (6-4)			
	de la Garza	Roberts		
	Brown (CA)	Morrison (WA)		
	Panetta	Gunderson		
	Glickman	Grandy		
	Stenholm			
	Volkmer			

Sections	House Conferees		Senate Conferees	
Section 416 of Senate amendment	Judiciary (6-4)			
	Rodino	Fish		
	Kastenmeier	Moorhead		
	Edwards (CA)	Hyde		
	Hughes	Lungren		
	Schroeder			
	Crockett			
Section 964-966 of Senate amendment	Foreign Affairs (6-4)			
	Fascell	Broomfield		
	Bonker	Roth		
	Mica	Bereuter		
	Berman	Miller (WA)		
	Levine			
	Bilbray			
Section 412 of Senate amendment	Ways and Means (6-3)		Finance (5-4)	
	Rostenkowski	Crane	Bentsen	Packwood
	Gibbons	Frenzel	Matsunaga	Chafee
	Jenkins	Schulze	Moynihan	Roth
	Downey (NY)		Baucus	Danforth
	Pease		Boren	
	Russo			
	Foreign Affairs (3-2)			
	Bonker	Roth		
	Mica	Bereuter		
	Berman			

Sections	House Conferees		Senate Conferees	
Section 907 of House bill	Banking, Finance, and Urban Affairs (6-4)			
	St Germain	Wylie		
	Fauntroy	Leach (IA)		
	Oakar	Bereuter		
	Garcia	McMillan (NC)		
	Vento			
	Schumer			
	Energy and Commerce (3-2)			
	Dingell	Lent		
	Florio	Dannemeyer		
	Markey			
Section 415 of Senate amendment	Judiciary (6-4)			
	Rodino	Fish		
	Kastenmeier	Moorhead		
	Edwards (CA)	Hyde		
	Hughes	Lungren		
	Schroeder			
	Crockett			
Sections 411, 416, 964-966 of Senate amendment	Ways and Means (9-5)		Finance (5-4)	
	Rostenkowski	Duncan	Bentsen	Packwood
	Gibbons	Archer	Matsunaga	Chafee
	Jenkins	Vander Jagt	Moynihan	Roth
	Downey (NY)	Crane	Baucus	Danforth
	Pease	Frenzel	Boren	
	Russo			
	Gephardt			
	Guarini			
	Matsui			

77-750 O - 87 - 20

Sections	House Conferees		Senate Conferees	
	Science, Space, and Technology (3-2)			
	Roe	Lujan		
	Hall (TX)	Sensenbrenner		
	Torricelli			
Sections 968-972 of Senate amendment	Foreign Affairs (6-4)		Finance (5-4)	
	Fascell	Broomfield	Bentsen	Packwood
	Bonker	Roth	Matsunaga	Chafee
	Mica	Bereuter	Moynihan	Roth
	Berman	Miller (WA)	Baucus	Danforth
	Solarz		Boren	
	Bilbray			
	Ways and Means (3-2)			
	Rostenkowski	Archer		
	Gibbons	Schulze		
	Downey (NY)			
	Energy and Commerce (3-2)			
	Dingell	Lent		
	Florio	Dannemeyer		
	Markey			

COMPARISON OF HOUSE AND SENATE PROVISIONS WITH PRESENT LAW

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
1. EC fats and oils tariff (Sec. 321 of House bill)	No provision	Sense of Congress opposing EC tariff on imported fats & oils & supporting retaliation	No provision
2. (a) Relations With Mexico (Sec. 363 of House bill; Sec. 977 of Senate amendment)	No provision	Creates US-Mexico Interagency Commission & calls for US-Mexico summit	Sense of Congress US & Mexico should adopt trade & investment agreement
(b) US-Mexico Trade Rept. (Sec. 907 of House bill)	No provision	Requires DOC to prepare report on bilateral trade issues between U.S. & Mexico	No comparable provision
3. Findings regarding technology transfers (Sec. 411 of Senate amendment)	No provision	No provision	General findings about the importance of technology transfers to U.S international competitiveness.
4. Monitoring of technology transfers (Sec. 412 of Senate amendment)	The National Trade Estimate (NTE) lists significant foreign trade barriers.	No provision	Adds to the NTE an annual report, prepared by USTR in conjunction with the National Science Foundation (NSF), on the transfer of technology between the United States and foreign countries. The USTR, in conjunction with the NSF, is required to continually monitor the transfer of technology between the United States and foreign countries.
5. Monitoring foreign intellectual property	No provision	No provision	The Secretary of Commerce shall designate a Foreign Commercial

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
systems (Sec. 413 of Senate amendment)			Service Officer in a foreign country to be responsible for monitoring and reporting on the status of the intellectual property system in such country including: the maintenance of current files on intellectual property protection afforded on a sector-by-sector basis by such country; the filing of an annual report with the Secretary of Commerce on changes to such laws in each sector; and upon request, informing potential U.S. exporters and foreign direct investors of protection afforded intellectual property rights in such country.
6. Foreign assistance for developing programs to protect intellectual property rights (Sec. 414 of Senate amendment)	No provision	No provision	Amends the Foreign Assistance Act of 1961 to authorize the President to furnish assistance, after consultation with the Secretary of Commerce, on such terms and conditions as he may determine, for programs to aid less developed countries (LDCs) in developing and implementing adequate intellectual property laws. The Secretary of Commerce, acting through the Patent and Trademark Office and the Copyright Office, shall identify the technical assistance needs of LDCs.

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
			The assistance shall: (a) help provide LDCs with the resources necessary for the design, development, administration, implementation, and enforcement of a system of intellectual property laws; (b) emphasize the creation of a capability within the developing countries (DCs) to engage in indigenous R&D and to generate the technologies necessary for their economic and social development; (c) help build intellectual property systems necessary for a domestic environment capable of supporting R&D; and (d) coordinate bilateral scientific exchange programs with the public and private sectors to help stimulate local R&D.
7. U.S. Intellectual Property Training Institute (Sec. 415 of Senate amendment) (a) Establishment of Institute and appointment of a Board (Sec. 415(a), (b) of Senate amendment)	No provision	No provision	The Secretary of Commerce shall establish the U.S. Intellectual Property Training Institute, which will be directed by a board, including representatives of the Department of

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
			Commerce, the Patent and Trademark Office, the Copyright Office, the USTR, the Agency for International Development (AID, and executives of U.S. corporations which need protection of intellectual property rights in domestic and foreign operations, who will be designated by the Secretary of Commerce after consultation with relevant industry sector advisory committees.
(b) Purposes of Institute (Sec. 415(c) of Senate amendment)			The purpose is to train individuals of LDCs in both management and technical skills regarding the protection of intellectual property, including individuals who are involved in patent and copyright protections through any government agencies dealing with such protections. Training may include: (a) recommendations for enforcement of intellectual property laws; (b) guidelines for the adoption of an intellectual property law, provisions of a model law, or suggestions for amendments to any existing law; and

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
			(c) instruction regarding the philosophy of such a law and policy considerations involved in the adoption or amendment, and enforcement of such a law.
(c) Funding of the Institute (Sec. 415(d) of Senate amendment)	No provision	No provision	The Institute is to be established, supported, and maintained by non-governmental funds and financing, and no Federal funds are authorized to be appropriated for this purpose. This provision may not be construed to preclude AID or any other Federal agency or department from participating in the activities of the Institute or from making loans or grants to the Institute that are authorized under any other provisions of law.
8. Findings and purpose (Sec. 171 of House bill; Sec. 416 of Senate amendment)		General findings and purposes on the importance of intellectual property rights protection and the need to improve such protection domestically and internationally.	General findings about the importance of protection of intellectual property rights and a sense of the Congress that the President should use all appropriate powers of his office to secure fair market access for U.S. exporters and to protect their intellectual property.
9. Findings on Iran-Iraq War (Sec. 963 of Senate amendment)	No provision	No provision	Findings on Iran-Iraq War.
10. Certain actions by Iran	No provision	No provision	Prohibits imports from and

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
(Sec. 964 of Senate amendment)			exports to Iran if Iran takes certain actions.
11. Attacks by Other Persian Gulf States (Sec. 965 of Senate amendment)	No provision	No provision	Prohibits imports from and exports to other Gulf States if they attack U.S. vessels.
12. Definitions (Sec. 966 of Senate amendment)	No provision	No provision	Definitions for Section 965 of Senate amendment.
13. Aid by Other Nations to Gulf States (Sec. 967 of Senate amendment)	No provision	No provision	Sense of Congress that other nations should desist from transfers of offensive weapons to Gulf belligerents.
14. Fair Trade in Auto Parts Act of 1987 (Sec. 968-972 of Senate amendment)	No provision	No provision	Directs Secretary of Commerce to establish auto parts sales initiative to Japan.

SUBCONFERENCE #3
EXPORT CONTROLS; EXPORT PROMOTION

TABLE OF CONTENTS

		Page
1.	Sections of House Bill and Senate Amendment included in Subconference #1	237
2.	Conferees of the House and Senate and Sections for which they are appointed	238
3.	Comparison of House and Senate Provisions with Present Law	246
	A. Export Promotion	246
	B. Export Controls	250

SECTIONS OF HOUSE BILL AND SENATE AMENDMENT INCLUDED IN SUBCONFERENCE #3 -- EXPORT CONTROLS; EXPORT PROMOTION

House bill

Secs. 301, 302, 311-315, 317, 324-326, 331-341, 361, 362 and 364

Senate amendment

Title X (Secs. 1001-1036)
Secs. 1104 and 1105
Title XII (Secs. 1201-1207)

CONFEREES OF THE HOUSE AND SENATE AND SECTIONS FOR WHICH THEY ARE APPOINTED

Sections	House Conferees	Senate Conferees
Sections 301, 302, 311-315, 317 of House bill	Foreign Affairs (6-4) Fascell, Ronker, Mica, Berman, Feighan, Bilbray Broomfield, Roth, Bereuter, Miller (WA)	Banking, Housing, and Urban Affairs (3-2) Proxmire, Sarbanes, Dixon Garn, Heinz For sections 311(d)(2) and 313 of House bill only: Banking, Housing and Urban Affairs (3-2) Proxmire, Sarbanes, Dixon Garn, Heinz Foreign Relations (3-2) Pell, Sarbanes, Dodd Helms, Lugar
Sections 311-315 of House bill	Energy and Commerce (3-2) Dingell, Florio, Markey Lent, Dannemeyer	

Sections	House Conferees	Senate Conferees
Section 313 of House bill	Banking, Finance, and Urban Affairs (3-2) Fauntroy — Leach (IA) Garcia — Bereuter Morrison (CT)	
Section 314 of House bill (insofar as it would add new section 203(c) to the Export Administration Amendments Act of 1985)	Small Business (3-2) LaFalce — McDade Smith (IA) — Ireland Skelton	
Section 324 of House bill	Foreign Affairs (6-4) Fascell — Broomfield Bonker — Roth Mica — Bereuter Berman — Miller (WA) Feighan Bilbray Energy and Commerce (6-4) Dingell — Lent Florio — Moorhead Markey — Rinaldo Sharp — Dannemeyer Swift Bryant	Banking, Housing, and Urban Affairs (3-2) Proxmire — Garn Sarbanes — Heinz Dixon Governmental Affairs (3-2) Glenn — Roth Chiles — Stevens Ringaman
Section 325 of House bill	Foreign Affairs (6-4) Fascell — Broomfield Bonker — Roth Mica — Bereuter Berman — Miller (WA) Solarz Bilbray	Banking, Housing, and Urban Affairs (3-2) Proxmire — Garn Sarbanes — Heinz Dixon

Sections	House Conferees	Senate Conferees
Section 326 of House bill	Foreign Affairs (3-2) Bonker, Mica, Berman / Roth, Bereuter	Banking, Housing, and Urban Affairs (3-2) Proxmire, Sarbanes, Dixon / Garn, Heinz
	Banking, Finance, and Urban Affairs (3-2) St Germain, Oakar, Garcia / Wylie, Leach (IA)	
	Judiciary (3-2) Rodino, Edwards (CA), Hughes / Fish, Moorhead	
Section 331 of House bill; Section 1020 of Senate amendment	Foreign Affairs (6-4) Fascell, Bonker, Mica, Wolpe, Levine, Feighan / Broomfield, Roth, Bereuter, Lagomarsino	Banking, Housing, and Urban Affairs (3-2) Proxmire, Sarbanes, Dixon / Garn, Heinz

77-750 O - 87 - 21

Sections	House Conferees	Senate Conferees
Section 331 of House bill	Energy and Commerce (3-2) Dingell, Lent Florio, Moorhead Sharp	
Sections 332-340 of House bill; Sections 1001-1019, 1021-1029 of Senate amendment	Foreign Affairs (6-4) Fascell, Broomfield Bonker, Roth Mica, Bereuter Berman, Miller (WA) Levine Bilbray	Banking, Housing, and Urban Affairs (3-2) Proxmire, Garn Sarbanes, Heinz Dixon plus for section 1029 of Senate amendment only: Cranston, Gramm
Section 1021 of Senate amendment	Armed Services (2-1) Aspin, Hunter Mavroules	
Sections 1026 and 1027 of Senate amendment	Banking, Finance, and Urban Affairs (6-4) St Germain, Wylie Oakar, Bereuter LaFalce, Roth Vento, McMillan (NC) Schumer Morrison (CT)	
Section 341 of House bill	Foreign Affairs (6-4) Fascell, Broomfield Bonker, Roth Mica, Bereuter Berman, Miller (WA) Levine (CA) Bilbray	Banking, Housing, and Urban Affairs (3-2) Proxmire, Garn Sarbanes, Heinz Dixon

Sections	House Conferees	Senate Conferees
	Banking, Finance, and Urban Affairs (6-4) Fauntroy, Oakar, Garcia, LaFalce, Schumer, Morrison (CT) Wylie, Leach (IA), Bereuter, McMillan (NC)	
Section 361 of House bill	Foreign Affairs (6-4) Fascell, Bonker, Mica, Berman, Levine (CA), Bilbray Broomfield, Roth, Bereuter, Miller (WA)	Judiciary (2-1) DeConcini, Leahy Hatch
Sections 362 and 364 of House bill	Foreign Affairs (6-4) Fascell, Bonker, Mica, Berman, Levine, Bilbray Broomfield, Roth, Bereuter, Miller (WA)	Banking, Housing, and Urban Affairs (3-2) Proxmire, Sarbanes, Dixon Garn, Heinz
Sections 1030-1033 of Senate amendment	Foreign Affairs (3-2) Fascell, Bonker, Mica Broomfield, Roth Ways and Means (3-2) Rostenkowski, Gibbons, Downey (NY) Archer, Schulze	Banking, Housing, and Urban Affairs (3-2) Proxmire, Sarbanes, Dixon Garn, Heinz plus: Cranston Gramm

Sections	House Conferees	Senate Conferees
	Government Operations (3-2)	
	Brooks — Horton Conyers — Walker Neal	
	Armed Services (3-2)	
	Aspin — Badham Stratton — Hunter Mavroules	
Sections 1034-1036 of Senate amendment	Foreign Affairs (6-4)	Banking, Housing, and Urban Affairs (3-2)
	Fascell — Broomfield Bonker — Roth Mica — Bereuter Berman — Miller (WA) Levine Bilbray	Proxmire — Garn Sarbanes — Heinz Dixon plus: Cranston — Gramm
Section 1034 of Senate amendment	Armed Services (3-2)	
	Aspin — Badham Stratton — Hunter Mavroules	
Section 1104 of Senate amendment	Foreign Affairs (6-4)	Banking, Housing, and Urban Affairs (3-2)
	Fascell — Broomfield Bonker — Roth Mica — Bereuter Berman — Miller (WA) Levine Bilbray	Proxmire — Garn Sarbanes — Heinz Dixon

Sections	House Conferees	Senate Conferees
Section 1105 of Senate amendment	Foreign Affairs (3-2) Bonker, Mica, Berman; Roth, Bereuter Banking, Finance, and Urban Affairs (3-2) St Germain, Oakar, Garcia; Wylie, Bereuter Judiciary (3-2) Rodino, Edwards (CA), Hughes; Fish, Moorhead	Banking, Housing, and Urban Affairs (3-2) Proxmire, Sarbanes, Dixon; Garn, Heinz
Title XII (Sections 1201-1207) of Senate amendment	Foreign Affairs (6-4) Fascell, Bonker, Mica, Berman, Feighan, Bilbray; Broomfield, Roth, Bereuter, Miller (WA)	Banking, Housing, and Urban Affairs (3-2) Proxmire, Sarbanes, Dixon; Garn, Heinz
Sections 1201, 1203 of Senate amendment	Banking, Finance, and Urban Affairs (3-2) Fauntroy, Garcia, Morrison (CT); Leach (IA), Bereuter	

Sections	House Conferees	Senate Conferees
Sections 1201-1206 of Senate amendment	Energy and Commerce (3-2) Dingell Florio Markey Lent Dannemeyer	

COMPARISON OF HOUSE AND SENATE PROVISIONS WITH PRESENT LAW

ISSUE: EXPORT PROMOTION

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
1. Findings/purpose (Sec. 302 of House bill)	No provision	To promote world growth & expand U.S. exports	No provision
2. US&FCS (Sec. 311 of House bill)	No provision; a 1980 executive order created US&FCS	(a) Gives US&FCS statutory base; establishes Dir. Gen. post at Ass't. Sec. level (b) States purpose of US&FCS is export promotion (c) Establishes offices (d) Directs Sec. State, on request of Commerce Sec., to give Min.-Counselor title to not more than 8 senior FCS officers & encourage filling consulates w/major commercial duties w/FCS (e) Requires Pres. to report to Congress within 1 yr. evaluation of Commerce export services (f) Urges setting-up system to get info. to non-District Office areas (g) Requires IG audits of US&FCS at least once every 3 yrs. (h) Requires Sec. to report to Congress on integrating domestic & foreign export promotion services	
(Sec. 1204 of Senate amendment)			Authorizes Commerce Sec. to pick 8 overseas missions where senior FCS officer may use Min.-Counselor title
3. Diplomatic Missions (Sec. 312 of House bill; Sec. 1201 of Senate amendment)	No provision	Requires Secretaries State & Commerce to assure adequacy of commercial personnel at US overseas missions, & requires missions to prepare annual export expansion strategies	Identical provision
4. US&FCS and MDB's	No provision; DoC	Directs Sec. Commerce, w/Sec.	Sense of Congress for same

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
(Sec. 313 of House bill; Sec. 1201(c) of Senate amendment)	presently has US&FCS officers assigned part-time to MDB procurement	Treasury, to appoint US&FCS officer to serve w/each U.S. Exec. Director to MDB to promote U.S. exports in MDB procurement	purpose [Note: Subconference #4 will confer on Sec. 1801(b) of Senate amendment, which parallels Sec. 313 of House bill]
5. MDB Business Liaison (Sec. 1203 of Senate amendment)	No provision	No provision	Requires Commerce Sec. to designate office in ITA to serve as business liaison w/MDB's overseas
6. Market Development Cooperator Program & Trade Shows (Sec. 314 of House bill)	No provision; Commerce presently has 2 cooperator-type programs & supports trade shows	Authorizes Commerce Sec. to establish Market Development Cooperator Program; to provide assistance to trade shows in US; & authorizes $6 million in FY 88 for these programs	No provision
7. Indian Tribes Export Promotion (Sec. 1206 of Senate amendment)	No provision	No provision	Authorizes Commerce Secretary to provide grants to entities to develop foreign markets for authentic Indian arts & crafts
8. US&FCS Pacific Rim Initiative (Sec. 315 of House bill)	No provision	Directs Commerce Sec. to create pilot FCS program to promote US exports to Japan, Korea & Taiwan	No provision
9. Printing at Overseas Locations (Sec. 317 of House bill; Sec. 1207 of Senate amendment	Commerce presently gets year-to-year exemption	Authorizes Commerce Sec. to print, distribute & sell export promo. documents abroad & to accept paid ads to support these costs	Similar provision
10. Export Promotion Data System (Sec. 324 of House bill; Sec. 1202 of Senate	No provision [Commerce is establishing CIMS export data system]	Gives statutory base to CIMS; designates Fed. agencies to participate in data sharing;	Comparable to House provision, but excludes findings, designated

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
amendment)		requires w/in 6 mos. of enactment DoC-data-sourced portion become operational; entire system on-line w/in 1 yr.; & requires reports to designated Committees w/in 1 yr.	agencies, & guidance on delivery system. No deadline for system becoming operational. Report to Congress w/in 6 mos. of enactment. Establishes goal of avoiding unnecessary duplication of other data systems. Does not grant independent gathering authority
11. US Gov't Resources Catalog (Sec. 1205 of Senate amendment)	No provision	No provision	Directs Commerce Sec., w/other agencies, to prepare reference manual on exporting & investing abroad for US business
12. Preshipment Inspection Program (Sec. 325 of House bill)	No provision	Establishes in Commerce preshipment inspection certification program, including penalties for violations	No provision
13. Office of Export Trade (Sec. 1104 of Senate amendment)	Office promotes and encourages the formation of export trade associations (ETA'S) and Export Trading Companies (ETC's). Law does not specify EMC's.	No provision	Requires a program to assist and encourage the operation of other export intermediaries, including new and existing export management companies (EMC's)
14. Report on Export Trading Companies (Sec. 326 of House bill; Sec. 1105 of Senate amendment)	No provision	Annual report, 1st due in 12 mos., survey of EMC's & ETA's, analysis of ETC's	One time report due in 18 mos. Survey of all export promo intermediaries except Bank ETCs
15. Int'l Negotiations (Sec. 341 of House bill)	No provision	Directs President & Treas Sec. to continue negotiations on growth-oriented econ. policies & on coordinating macro-econ. policy	No provision [Note: Subconference #5 will confer on Sec. 1304 of Senate amendment, which includes similar provision.]

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
16. Trading With the Enemy Act (Sec. 361 of House bill)	WW II alien property litigation & adjudication handled by office set-up by TWEA Sec. 39	Provides for termination of alien property activities (all WW II claims activities have ended) & repeals unnecessary reporting requirement	No provision
17. Trading With the Enemy Act & IEEPA (Sec. 362 of House bill)	Passport Act authorizes controls on exports/imports of informational material not otherwise regulated under EAA Nat'l Security controls	Clarifies TWEA & IEEPA do not authorize regulations on export/import of informational material not otherwise controlled under EAA. Codifies current practice under IEEPA in Libya & Nicaragua embargoes of exempting info. material	No provision
18. Budget Act (Sec. 364 of House bill)	No provision	Any new spending subject to appropriations acts	No provision

ISSUE: EXPORT CONTROLS
(SECTIONS 331-340 of HOUSE BILL; SECTIONS 1001-1036 of SENATE AMENDMENT)

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
19. Oil Exports (sec. 331 of House bill; sec. 1020 of Senate amendment)	Exports of crude oil from Alaskan North Slope prohibited in absense of Presidential finding & Congressional joint resolution.	Exports of all domestically produced crude oil prohibited subject to Presidential findings. Refined petroleum products produced by export refinery also subject to same restrictions.	No comparable provision on crude oil. No restrictions may be imposed on refined products of refineries operating on or before date of enactment except by Presidential determination.
20. Multiple license authority (sec. 332(a) of House bill; sec. 1001 of Senate amendment)	Prohibits use of distribution and comprehensive operations licenses for exports to controlled countries, including the People's Republic of China.	Exempts the PRC from prohibition on distribution & comprehensive operations licenses to controlled countries.	Exempts the PRC from prohibition on distribution licenses to controlled countries.
21. General license for Reliable Endusers (sec. 1002 of Senate amendment)	General authority for Secretary of Commerce to require validated, multiple or general licenses.	No comparable provision.	Establishes a general license for exports to qualified foreign parties certified as reliable endusers (including government-owned or controlled entities in COCOM or 5(k) countries) of all items but not necessarily including supercomputers.
22. Export license fee (sec. 333 of House bill; sec. 1003 of Senate amendment)	No provision	Prohibits charging of fees in connection with the submission or processing of an export license application.	Identical to House provision.
23. Sales to commercial entities	Authority to prohibit transfer within U.S.	Clarifies current law to define affiliates of controlled countries	No comparable provision.

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
of controlled countries (sec. 332(b) of House bill)	to affiliates of controlled countries.	to include governmental and commercial entities.	
24. Reexports (sec. 332(c) of House bill; sec. 1006 of Senate amendment)	Unilateral licensing requirement applies to reexport of all US-origin goods/technology and foreign products incorporating US goods/ technology.	Eliminates licensing requirement for reexport of goods/technology to COCOM and 5(k) countries, excluding specified endusers & extraordinarily sophisticated goods/technology specified by by regulation.	Eliminates licensing requirement for reexport of goods/technology/ services to COCOM and 5(k) countries, except highly critical goods unilaterally controllable. Two day advance notification required for highly critical goods/technology. Reexport license required for goods/technology at or above PRC green line if DoC determines the recipient country engages in pattern of noncompliance with COCOM agreement.
(a) finished products			
(b) Parts and components	EAA regulations provide de minimus standard -- no reexport authorization for US parts (10% and $10,000 worldwide; 25% for most Free World countries) incorporated into foreign-made products.	Eliminates licensing requirement for US parts incorporated into foreign goods if less than 25% of the value of goods in which they are incorporated.	Eliminates licensing requirement if: 1) no license is required for the finished product; 2) value of US content is 20% or less; or 3) parts are normal & usual spares or replacements & do not exceed value of US content. Provision applies only if US content is normal for product & not incorporated to evade controls. Reexport authorization may be required for highly critical goods/technology.
25. Exports to Free World countries (sec. 332(d) of House bill; sec. 1005 of Senate amendment)	EAA regulations require licenses for exports to all destinations, with certain exceptions.	Eliminates licensing requirement for goods/technology with technical performance characteristics specified in PRC notes (PRC green line) to Free World countries except	Eliminates licensing requirement for goods/technology with technical performance characteristics specified in Administrative Exception Notes (AEN) to Free World. DoC may

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
		to specified endusers or countries posing significant risks of diversion. Effective date 6 months after enactment. DoC may require notification.	require notification.
26. Exports to COCOM/ 5(k) countries (sec. 332(d) of House bill; sec. 1004 of Senate amendment)	No license required for exports of AEN goods/ technology to COCOM/5(k) countries.	Eliminates licensing requirement for exports to COCOM/5(k) countries except for: (1)specific extraordinarily sophisticated goods/technology; 2) specified endusers; 3) countries determined to engage in pattern and practice of noncompliance with COCOM agreement. Effective date 6 mo. after enactment. DoC may require notification.	Shipment under general license for PRC green line goods/ technology to COCOM/5(k) except for: 1)specified consignes; 2) countries determined to engage in pattern & practice of noncompliance with COCOM agreement. DoC may require notification. Two day advance notification may be required for highly critical goods/technology.
27. Control List Review (a) Dispute Resolution (sec. 332(e)(1) of House bill; sec. 1007 of Senate amendment)	Requires disputes between DoC & DoD to be referred to the President.	Provides mechanism for resolution of disagreements on additions to control list within specified time frames.	Specifies that the President shall resolve control list disputes in a timely manner consistent with the dispute resolution mechanism in sec. 10(g) of EAA.
(b) Review of Control List (sec. 332(e)(1)(2) of House bill; sec. 1008 of Senate amendment)	DoC required to maintain & review control list at least once a year.	Requires partial review of list on quarterly basis, with 30 day comment period & publication of list revisions. Specifies that concurrence by other agencies not required for revisions to list. Requires that the MCTL be reviewed on an ongoing basis.	Provides that data developed from control list review shall be be used by Secretary of Commerce in formulating COCOM proposals.
(c) Responsibilities of Secretary of Commerce (sec. 1008 of Senate amendment)	General authority for Secretary of Commerce to carry out functions under EAA.	No comparable provision.	Reinforces authority of Secretary of Commerce to formulate list review proposals; review other COCOM countries' license applications; & determine comparability

77-750 0 - 87 - 22

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
			of third countries' export systems to COCOM.
(d) TAC role in List Review (sec. 332(e)(3) of House bill)	Technical advisory committees (TACs) are to advise & assist Executive branch.	Requires that appropriate TACs be formally represented in list review process & informed of disposition of recommendations; also requires submission of regulations to appropriate TACs.	No comparable provision.
28. Control List Reduction (a) Reduction by Secretary of Commerce (sec. 332(f)(1) of House bill)	DoC authority to remove items from the Control list.	Requires DoC, in consultation with DoD, to identify list of controlled items that are no longer significant to military potential of any controlled country & establishes as a goal a 40% reduction of the control list over 3 years. Within 6 months, decontrol required of: 1) AEN items (as of 3/1/87) & 2) medical equipment. Annual report of decontrol actions required.	No comparable provision.
(b) Unilateral Controls (sec. 332(f)(2) of House bill; sec. 1009 of Senate amendment)	No provision.	Eliminates unilateral controls six months after enactment date or six months after imposition, except for controls on goods/ technology for which there is no foreign availability, or if negotiations are underway for multilateral control (except controls may be extended 6 months).	States that unilateral controls should be eliminated unless there is no foreign availability or negotiations are underway to achieve multilateral control; requires publication in Federal Register & justification of unilateral controls where controls are not eliminated.
(c) Sunset provision (sec. 1010 of Senate amendment)	No provision	No comparable provision.	Requires items below PRC green line to be reviewed at least once every two years; if such review has not been conducted but is requested by an individual, DoC

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
			has 90 days to determine whether controls should be continued, or the item is decontrolled.
29. Review of Technology levels of goods eligible for distribution license (sec. 332(g) of House bill; sec. 1014 of Senate amendment	DoC shall periodically review procedures for multiple export licenses.	Provides mechanism for exporters to petition DoC to review goods eligible for export under a distribution license; determination required within 90 days.	Requires DoC to conduct annual reviews of performance levels (PRC green & COCOM decontrol level) and make appropriate adjustments.
30. PRC Trade Shows (sec. 332(h) of House bill; sec. 1011 of Senate amendment)	No provision.	Requires DoC to issue licenses to US exporters for purpose of demonstration or exhibition at PRC trade show if exporter retains title to & control of good while in PRC, and removes good at conclusion of trade show.	Similar to House provision but presumption of approval for exports for purpose of display at trade shows in PRC.
31. Foreign Availability (a) Determinations (sec. 332(i)(1) of House bill; sec. 1012 of Senate amendment)	EAA directs DoC to identify goods/technology available outside US, eliminate sources of availability through negotiations, or if unable to do so, to decontrol available items. No specific timeframes unless TAC-certified.	Requires DoC to make a foreign availability determination within 120 days after receipt of allegation of foreign availability, notify applicant & publish in Federal Register. Maximum of 8 months to complete foreign availability decontrol process, including multilateral review, with exception of situations in which negotiations are underway.	Requires DoC to make a foreign availability determination within 120 days after receipt of allegation of foreign availability, notify applicant & publish in Federal Register.
(b) DoC Authority (sec. 332(i)(1); sec. 1012 of Senate amendment)	Authority for Secretary of Commerce to decontrol on basis of foreign availability	Clarifies that DoC does not need concurrence of other agencies to make foreign availability assessments.	Clarifies DoC authority to make foreign availability determination notwithstanding approval of any other agency.
(c) Notification of	No provision.	No comparable provision.	Requires Congressional

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
Negotiations (sec. 1013 of Senate amendment)			notification of negotiations to eliminate foreign availability.
(d) Availability in Particular Countries (sec. 332(i)(2) of House bill)	No provision.	Eliminates license requirements for exports of specific goods to a country that agrees to control those goods in a manner comparable to the US.	No comparable provision.
(e) Publication of Foreign Availability Assessments (sec. 1012 (d) of Senate amendment)	No provision.	Requires publication upon receipt of allegation or in cetain instances of TAC certifications.	Requires DoC to publish all foreign availability assessments in Federal Register.
(f) West-West Foreign Availability (sec. 332(i)(3) of House bill; sec. 1017 of Senate amendment)	Requires decontrol of goods available from sources outside the US.	Provides for fast-track licensing of goods determined to be available in Free World countries.	Establishes parallel structure for foreign availability in non-controlled countries that provides for decontrol under conditions similar to proposed foreign availability guidelines, including same timeframes, requirements for publication, and negotiations to eliminate availability; also includes provision regarding licensing in cases of foreign availability.
(g) Information Sharing (sec. 332(i)(4) of House bill; sec. 1018 of Senate amendment)	Existing requirements to furnish foreign availability information.	Clarifies agencies are to share information in making foreign availability assessments.	Similar to House provision.
(h) Goods Affected by Determinations (sec. 332(i)(5) of House bill)	No provision.	Eliminates controls on goods less sophisticated than items for which foreign availability has been determined.	Similar provision for West-West foreign availability.
(i) Definition of	No provision.	Clarifies that foreign avail-	Similar provision for West-West

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
Foreign Availability (sec. 332(j) of House bill)		ability includes availability in any country from which the good is not restricted for export or in which such restrictions are ineffective.	foreign availability.
32. (a) COCOM Negotiations (sec. 332(l)(1) of House bill; sec. 1015 of Senate amendment)	Provides list of COCOM negotiating objectives	Adds as negotiating objectives enhanced cooperation on restricting controlled exports, coordination of planning and implementation of export control measures, removal of items widely available from the control list, & expansion of categories & levels of goods eligible for export to PRC.	Identical negotiating objectives as House bill with the exception of PRC trade expansion.
(b) Industry Rep. to COCOM (sec. 332(l)(2) of House bill)	No provision.	Requires the President to include industry advisors to the U.S. delegation to COCOM for list review, unless other COCOM members exclude industry reps from COCOM negotiations.	No comparable provision.
33. Goods containing Microprocessors and certain other parts & components (sec. 332 (m) of House bill; sec. 1016 of Senate amendment)	Goods containing embedded microprocessors may be controlled on the basis of function of the good but not solely because the goods contain a microprocessor.	Expands provision to prohibit controls on goods containing controlled parts & components if the parts are essential to the functioning of the good & are customarily included in sale of the good, unless the functional characteristics of the whole good would make a significant contribution to the military potential of a controlled country.	Similar to House bill with additional requirement that the parts & components comprise less than 20% of the value of the good.
34. Review of Licenses (a) DoD review authority (sec. 332(n) of House bill)	Provides authority for DoD to review licenses to countries to which exports are controlled	Clarifies that DoD's authority to review licenses is for exports to controlled countries.	No comparable provision.

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
	for national security purposes.		
(b) Dispute Resolution (sec. 332(n) of House bill; sec. 1021 of Senate amendment)	No mandatory timeframe for resolution of interagency disputes.	Specifies timeframe within which parties must act upon licenses; failure to do so results in Secretary of Commerce's authority to approve or deny license.	Specifies that DoC shall approve or deny licenses if DoD does not act within specified timeframe.
(c) Congressional Notification	Requires President to report to Congress whenever DoD is overruled.	Eliminates Presidential reporting requirement when overruling DoD.	Also eliminates Presidential reporting requirement when overruling DoD.
35. Foreign Policy Controls (sec. 1019 of Senate amendment)	No provision.	No comparable provision.	Encourages President to seek diplomatic alternatives before imposing, expanding, or extending unilateral foreign policy controls for items available from other sources; extends decontrol of replacement parts under sec. 5(e) of EAA to foreign policy-controlled items if not controlled independently.
36. Violations (sec. 334 of House bill; sec. 1023 of Senate amendment) (a) Prior convictions	Authorizes DoC to bar persons convicted of specified laws (including the Arms Export Control Act) from applying for or using export licenses under EAA.	Extends DoC authority to EAA and IEEPA violations; clarifies that parties related through affiliation, ownership, or control to any person convicted of violations of the law may also be denied export privileges after due process.	Same as House bill extending to EAA & IEEPA; broader definition of parties related through affiliation.
(b) Sanctions for Violations (sec. 1022 of Senate amendment)	Authorizes import controls against persons violating national security export controls.	No comparable provision.	Provides for maximum 5 year debarment from contracting with US Government for non-US persons who violate COCOM national security regulations.

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
37. Enforcement (sec. 335 of House bill)	No provision.	Prohibits the Customs Service from seizing or detaining for more than 10 days goods or technology that DoC has determined are eligible for export under a general license.	No comparable provision.
38. Judicial Review (sec. 1024 of Senate amendment)	Provisions of EAA are exempt from Administrative Procedures Act.	No comparable provision.	Provides limited judicial review for civil penalties & temporary denial orders except for actions taken under specified EAA sections.
39. Temporary Denial Orders (sec. 336 of House bill; sec. 1025 Senate amendment)	DoC authority to issue an order (TDO) denying for 60 days the right to export if necessary to prevent imminent violation of EAA.	Extends effective period of TDO from 60 to 180 days.	Expands standard for TDO from "imminent violation" to "facilitate enforcement of this of Act".
40. Responsibilities of Under Secretary for Export Administration (sec. 1026 of Senate amendment)	Requires appointment of an Under Secretary of Commerce for Export Administration by October 1, 1987.	No comparable provision.	Clarifies delegation of authority for Under Secretary to include functions under other statutues that relate to national security.
41. Western Regional Office (sec. 337 of House bill)	No provision.	Requires establishment of Western regional office with authority to issue licenses for national security-controlled exports that are not subject to interagency or multilateral review, provide assistance to U.S. exporters, & render advisory opinions; activities of office are to be included in annual report.	No comparable provision.
42. Authorization of Appropriations (sec. 332(k) of House	Authorizes annual appropriations to carry out functions	Authorizes additional $3 million in FY 88 for the sole purpose of foreign availability functions.	Clarifies Under Secretary for Export Administration's responsibility for short supply

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
bill; sec. 1027 of Senate amendment)	under EAA.		controls, and Defense Production Act programs; authorizes $45,248,000 for FY 88 & 89 for export administration, of which $5 million is designated for startup costs of the Under Secretary.
43. Monitoring of Wood Exports (sec. 338 of House bill)	No provision.	Requires DoC to monitor & report monthly on exports of processed & unprocessed wood to Pacific Rim countries for 2 years.	No comparable provision.
44. Export Administration Reform Commission (sec. 339 of House bill)	No provision.	Requires President to appoint within 60 days after enactment Export Administration Reform Commission to assess current control system and recommend changes.	No comparable provision.
45. Findings & Policy Statements (sec. 340 of House bill)	EAA sets forth statements of findings & policy.	Makes statements of policy & findings & amends EAA concerning national security export controls based on findings of National Academy of Sciences report on export controls.	No comparable provision.
46. GAO Report (sec. 1028 of Senate amendment)	No provision.	No comparable provision.	Requires GAO report on effect of amendments in this bill by March 1, 1989.

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
ISSUE: MULTILATERAL EXPORT CONTROL SANCTIONS (TOSHIBA/KONGSBERG SANCTIONS)			
47. Multilateral Export Control Sanctions (Sec. 1029-1036 of Senate amendment)			
a) Mandatory sanctions against Toshiba and Kongsberg (Sec. 1029-1031 of Senate amendment)	Section 233 of the Trade Expansion Act of 1962 provides for sanctions for violations of national security export controls; any person who violates any multilateral national security export control regulation may be subject to import controls if: (1) negotiations with the gov't with jurisdiction over the violation have been held and were unsuccessful in restoring compliance; (2) the President has given the gov't involved and other parties to the multilateral agreement 60-days advance notice after the negotiations of proposed import controls; and (3) a majority of the parties to the multilateral agreement have concurred or abstained during the 60-day period on the issue of proposed import controls.	No provision	Title/findings related to Toshiba Machine and Kongsberg Vaapenfabrik Trading Co. diversion. Requires President to impose sanctions (prohibit imports & any US Gov't contracting) for 2-5 years against Toshiba and Kongsberg (including their parent, affiliate, successor or subsidiary companies) and any other foreign persons involved in a violation of COCOM national security export controls after January 1, 1980 in any case where the violation has resulted in a serious adverse impact on the strategic balance between the US and the Soviet bloc. Authorizes the President to exempt specified defense procurement and commercial imports of spare and component parts, routine maintenance services, information and technology, and imports under contracts signed prior to May 1. Authorizes the President to limit scope of sanctions against the parent, affiliate, subsidiary and successor companies under certain conditions: if (1) those entities were not involved in the

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
			violation ; (2) the relevant foreign gov't has agreed to improve its export control efforts; (3) the firm in question and its related parties have improved internal controls; and (4) US sanctions are proportionate to increased US defense costs. Prohibits the waiver of sanctions against the parent absent suitable compensation, as determined by the President. Requires semiannual report to Congress on the status of sanctions and any limitations of sanctions.
(b) Mandatory Prospective Sanctions (sec 1032 of Senate amendment)			Identical to provisions described in paragraph (a) above except that the sanctions authority is an amendment to the Export Administration Act of 1979, and applies to any future cases involving foreign export control violations that substantially enhance East Bloc military capabilities.
(c) Discretionary Sanctions Authority (sec 1033 of Senate amendment)			In cases of foreign technology diversions that do not seriously affect the strategic balance, President is authorized to prohibit imports or US Govt contracts for goods and services from the company in question and its related parties for up to 5 years.
(d) Report of Defense Impact			Requires annual report to Congress by the President estimating the

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
(sec 1034 of Senate amendment)			additional US defense expenditures arising from certain illegal technology transfers.
(e) Improved Multilateral Cooperation (sec 1035 of Senate amendment)			Sets forth eight specific objectives relating to strengthened export control systems to be sought by the President in negotiations with COCOM and other countries. Provid s that liberalization of US export licensing to a COCOM country should take into account progress made by such govt in instituting the improvements.
(f) Compensation and Civil Damages for COCOM Violations (sec 1036 of Senate amendment)			Requires the President to negotiate compensation by a foreign firm & gov't against which mandatory sanctions are imposed in an amount proportionate to the additional costs of R&D and procurement by the United States and its allies arising from the diversion. Also requires the Attorney General to bring a suit for civil damages against a person (foreign or domestic) violating national security export controls, when the violation has been determined by the Secretary of Defense to have resulted in a reduction in US military preparedness. Award limited to the amount of the net loss to the national security of the United States.

SUBCONFERENCE #4
EXPORT ENHANCEMENT

TABLE OF CONTENTS

		Page
1.	Sections of House Bill and Senate Amendment included in Subconference #1	264
2.	Conferees of the House and Senate and Sections for which they are appointed	265
3.	Comparison of House and Senate Provisions with Present Law	272

SECTIONS OF HOUSE BILL AND SENATE AMENDMENT INCLUDED IN SUBCONFERENCE #4 -- EXPORT ENHANCEMENT

House bill

Secs. 316 and 323
Title III, Subtitle C (Secs. 341-346) except Sec. 341
Sec. 351
Sec. 912

Senate amendment

Title XVIII (Secs. 1801-1809)
Title XX (Secs. 2001-2012), except Secs. 2001; 2008
Sec. 4501
Title XLVII (Secs. 4701-4711)
Sec. 4901

77-750 O - 87 - 23

CONFEREES OF THE HOUSE AND SENATE AND SECTIONS FOR WHICH THEY ARE APPOINTED

Sections	House Conferees	Senate Conferees
Section 316 of House bill	Foreign Affairs (6-4) Fascell, Bonker, Mica, Berman, Feighan, Bilbray Broomfield, Roth, Bereuter, Miller (WA) Energy and Commerce (3-2) Dingell, Florio, Markey Lent, Dannemeyer	Foreign Relations (3-2) Pell, Sarbanes, Dodd Helms, Lugar
Sections 323, 342, 344, 346 of House bill	Foreign Affairs (6-4) Fascell, Bonker, Mica, Berman, Levine, Bilbray Broomfield, Roth, Bereuter, Miller (WA)	Foreign Relations (3-2) Pell, Sarbanes, Dodd Helms, Lugar
Section 323 of House bill	Ways and Means (6-3) Rostenkowski, Gibbons, Jenkins, Downey (NY), Pease, Russo Crane, Frenzel, Schulze	

Sections	House Conferees	Senate Conferees
Section 344 of House bill	Banking, Finance, and Urban Affairs (6-4) Fauntroy, Oakar, Garcia, LaFalce, Schumer, Morrison (CT) Wylie, Leach (IA), Bereuter, McMillan (NC)	
Section 1801 of Senate amendment	Foreign Affairs (3-2) Bonker, Mica, Berman Roth, Bereuter Banking, Finance, and Urban Affairs (3-2) St Germain, Fauntroy, Garcia Wylie, Bereuter Energy and Commerce (3-2) Dingell, Florio, Markey Lent, Dannemeyer	Foreign Relations (3-2) Pell, Sarbanes, Dodd Helms, Lugar
Sections 1802-1809 of Senate amendment	Foreign Affairs (6-4) Fascell, Bonker, Mica, Berman, Feighan--except Section 1806, Levine--Section 1806 only, Bilbray Broomfield, Roth, Bereuter, Miller (WA)	Foreign Relations (3-2) Pell, Sarbanes, Dodd Helms, Lugar

Sections	House Conferees	Senate Conferees
Section 1802 of Senate amendment	Energy and Commerce (3-2) Dingell, Florio, Markey Lent, Dannemeyer	
Section 1804 of Senate amendment (insofar as it would add new section 661(d)(2)(B) to the Foreign Assistance Act of 1961)	Small Business (5-3) LaFalce, Smith (IA), Skelton, Mavroules, Bilbray McDade, Ireland, Conte	
Section 1805 of Senate amendment	Banking, Finance, and Urban Affairs (6-4) St Germain, Fauntroy, Garcia, Vento, Schumer, Morrison (CT) Wylie, Leach (IA), Bereuter, McMillan (NC)	
Section 1806 of Senate amendment	Judiciary (6-4) Rodino, Kastenmeier, Edwards (CA), Hughes, Schroeder, Crockett Fish, Moorhead, Hyde, Lungren	
Sections 2002-2007, 2009-2012 of Senate amendment	Foreign Affairs (6-4) Fascell, Bonker, Mica, Berman, Solarz, Bilbray Broomfield, Roth, Bereuter, Miller (WA)	Foreign Relations (3-2) Pell, Sarbanes, Dodd Helms, Lugar

Sections	House Conferees	Senate Conferees
Section 2002 of Senate amendment	Ways and Means (6-3)	
	Rostenkowski Gibbons Jenkins Downey (NY) Pease Russo	Crane Frenzel Schulze
Section 2011 of Senate amendment	Merchant Marine and Fisheries (6-4)	
	Jones (NC) Biaggi Anderson Studds Bonker Hughes	Davis (MI) Lent Young (AK) Shumway
Section 2012 of Senate amendment	Banking, Finance, and Urban Affairs (6-4)	
	St Germain Fauntroy Garcia LaFalce Schumer Morrison (CT)	Wylie Leach (IA) Bereuter McMillan (NC)

Sections	House Conferees	Senate Conferees
Sections 345 and 912 of House bill; Section 4501 of Senate amendment	Foreign Affairs (6-4) Fascell, Bonker, Mica, Berman, Gejedenson, Bilbray Broomfield, Roth, Bereuter, Miller (WA)	Commerce, Science, and Transportation (4-3) Hollings, Inouye, Exon, Riegle Danforth, Packwood, Pressler
Sections 345 and 912 of House bill; Section 4501 of Senate amendment	Energy and Commerce (3-2) Dingell, Florio, Markey Lent, Dannemeyer	
Section 345 of House bill	Banking, Finance, and Urban Affairs (3-2) Oakar, LaFalce, Vento Leach (IA), Bereuter	
Section 912 of House bill; Section 4501 of Senate amendment	Banking, Finance, and Urban Affairs (3-2) Oakar, LaFalce, Vento McMillan (NC), Roth	
Section 912 of House bill	Judiciary (3-2) Rodino, Edwards (CA), Hughes Fish, Moorhead	
Section 351 of House bill	Foreign Affairs (3-2) Bonker, Mica, Berman Roth, Bereuter	Foreign Relations (3-2) Pell, Sarbanes, Dodd Helms, Lugar

Sections	House Conferees	Senate Conferees
	Ways and Means (3-2)	
	Rostenkowski — Archer Gibbons — Schulze Downey (NY)	
	Judiciary (3-2)	
	Rodino — Fish Kastenmeier — Moorhead Schroeder	
Title XLVIII (secs. 4701-4711) of Senate amendment	Foreign Affairs (6-4)	Foreign Relations (3-2)
	Fascell — Broomfield Bonker — Roth Mica — Bereuter Berman — Gilman Solarz Bilbray	Pell — Helms Sarbanes — Lugar Dodd
		For Sections 4705-4709 only:
		Foreign Relations (3-2)
		Pell — Helms Sarbanes — Lugar Dodd
		Agriculture (3-2)
		Leahy — Lugar Melcher — Cochran Pryor

Sections	House Conferees		Senate Conferees	
Section 4706 of Senate amendment	Agriculture (6-4)			
	de la Garza	Roberts		
	Brown (CA)	Morrison (WA)		
	Panetta	Gunderson		
	Glickman	Grandy		
	Stenholm			
	Volkmer			
Section 4901 of Senate amendment	Foreign Affairs (6-4)		Foreign Relations (3-2)	
	Fascell	Broomfield	Pell	Helms
	Bonker	Roth	Sarbanes	Lugar
	Mica	Bereuter	Dodd	
	Berman	Miller (WA)		
	Solarz			
	Bilbray			
	Armed Services (3-2)			
	Aspin	Badham		
	Stratton	Hunter		
	Mavroules			

COMPARISON OF HOUSE AND SENATE PROVISIONS WITH PRESENT LAW

DATE: October 1, 1987

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
1. US&FCS and MDB Procurement (Sec. 1801 of Senate amendment)	No provision	[see Sec. 313 & 424 of House bill]	Directs Sec. Treasury to instruct US Exec. Dirs. to MDB's to assist US firms to bid on projects; directs Sec. Commerce, w/Sec. Treasury, to appoint US&FCS officer to promote US exports in MDB procurement; and sets-up office in Treasury to facilitate US exports in MDB procurement
2. Commercial Personnel at American Institute of Taiwan (Sec. 316 of House bill; Sec. 1802 of Senate amendment)	No provision	Directs AIT to employ # of commercial personnel comparable to # in Seoul	Identical provision
3. Country reports on Economic Policies & Trade Practices (Sec. 323 of House bill)	No provision [4 separate reports have this info. - Trade Agreements; Nat'l. Trade Estimates; CEA; & NAC]	Requires Sec. State to prepare and submit yearly to designated Committees a report on economic policies & trade practices of US trade partners, modeled on State Dept.'s Human Rights Reports	No provision
4. LDC Trade Liberalization (Sec. 342 of House bill; Sec. 1803 of Senate amendment)	No provision	US foreign aid should support long-term trade liberalization in LDC's	Identical provision
5. OPIC Investment Guarantee & Direct Investment	Ceilings now on loan guarantee and direct	Authorizes increase in overall ($750 m. to $1 bil.)	No provision

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
programs (Sec. 343 of House bill)	investment programs, but no minimum set; OMB has set lower caps & cut staff & budget	& yearly loan guarantee program ($150 m. to $200 m.) & in direct investment prog. ($15 m. to $25 m. minimum); & sets minimum budget & staff levels	
6. OPIC operations in PRC (Sec. 2003 of Senate amendment)	Prohibits OPIC support in countries not respecting int'l worker rights, but allows Pres. waiver	No provision	Requires detailed justification for worker rights determinations on OPIC operations in PRC
7. TDP Reorganization & Tied Aid Credits (Sec. 344 of House bill; Secs. 1804-1805 of Senate amendment) (Sec. 1805 is also covered in sub-conference #5)	Exec. Order made TDP independent agency in IDCA; TDP FY 87 budget & FY 88 request $20 m.; 1983 Trade & Development Enhancement Act set-up tied aid credits program in AID	Codifies TDP's current status as independent agency w/in IDCA; TDP Director to be appointed w/Senate approval; requires annual report; & authorizes minimum of $30 m in FY 88 & $31 m in FY 89 for TDP. Transfers from AID to TDP responsibility for info on export opportunities from bilateral aid projects, and for tied aid credits program. Authorizes TDP to use ESF for tied aid credits w/concurrence of State & AID. Substitutes simple NAC majority vote for NAC unanimous consent of all tied aid credits, and gives TDP vote on NAC tied aid credits. Provides clear transfer of programs from AID to TDP	Similar to House bill, except: TDP not given lead role on export opportunities info on bilateral aid projects; creates TDP Advisory Board; authorizes $50 m in FY 88, of which $25 earmarked for educ. & training emphasizing PRC & Taiwan nationals, & 50% of the $25 m. earmark only for use by small businesses; retains current law on NAC unanimous consent on Exim tied aid credits; and retains AID discretion over some transfer authority
8. PRE Loan Guarantees (Sec. 2010 of Senate amendment)	Foreign Assistance Act prohibits Sec. 108 Priv. Sector Revolving Fund from	No provision	Authorizes PRE Revolving Fund to guarantee loans up to 50% of project or $5 m.,

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
	supporting loan guarantees Cap of $3 m. on each project PRE may support		whichever is less
9. Interagency Countertrade Group; Commerce Deptartment Countertrade office (Sec. 345 of House bill; Sec. 4501 of Senate amendment)	No provision [inter-agency group on counter-trade meets infrequently, chaired by OMB]	Establishes interagency group on countertrade, chaired by Commerce Sec., to review US policy & monitor foreign countertrade activities	Establishes office in Commerce to monitor foreign countertrade activities
10. Foreign Aid Procurement (Sec. 346 of House bill)	Prohibits procurement w/foreign aid of construc-tion/engineering services from NIC's that are compe-titive in these areas	Prohibits procurement w/foreign aid of any goods & services from OECD nations or NIC's that are competitive unless US goods & services are not competitive in market where goods/services will be used	No provision
11. Protection of Intellectual Property (Sec. 351 of House bill; Sec. 1806 of Senate amendment)	No provision	Sense of Congress Sec. State, USTR & US Ambassadors should discuss i.p. protection & AID should offer technical assis-tance in i.p. protection	Similar provision
12. Fees for Munitions Control Licenses (Sec. 1807 of Senate amendment)	No provision	No provision	Authorizes $100,000 in each FY to State Dept. to automate munitions control licensing
13. Foreign Agric. Production Funding (Sec. 1808 of Senate amendment)	No provision	No provision	Prohibits foreign aid for ag. projects whose output might compete w/US ag. exports
14. Effective Date (Sec. 1809 of Senate amendment)	No provision	No provision	Title 18 provisions become effective 10/1/87

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
15. Worker Rights Report (Sec. 2002 of Senate amendment)	1974 Trade Act Sec. 505(c) requires annual report to Congress on status of internationally-recognized worker rights in each GSP country; report contained in annual State Dept. Country Reports on Human Rights	No provision	Sec. State to report to Congress 6 mos. after enactment results of study on ways to improve reporting on worker rights pursuant to 505(c)
16. Monitor Reexport of US-Origin Military & Dual-use Technology (Sec. 2004 of Senate amendment)	No provision	No provision	Sense of Congress State, Commerce, DoD should review & report to Congress on current practices & procedures for monitoring & enforcing use of US-origin military & dual-use technology
17. Japanese Imports from LDC's (Sec. 2005 of Senate amendment)	No provision	No provision	Sense of Congress Japan should buy more LDC-manufactured exports
18. Japan & Arab Boycott of Israel (Sec. 2006 of Senate amendment)	Export Administration Act prohibits US firms from complying w/Arab boycott of Israel & provides penalties for violations	No provision	Sense of Congress Japan should expand trade with Israel & Japanese firms should end compliance with Arab boycott
19. Int'l. Agric. Conservation Reserve Agreement (Sec. 2007 of Senate amendment)	No provision	No provision	Sense of Congress Pres. should negotiate establishment of Int'l. Ag. Conservation Reserve to reduce grain surpluses
20. Facilitate Jewelry Trade (Sec. 2009 of Senate amendment)	No provision	No provision	Sense of Congress US should join Convention on Precious Metal Articles to open foreign markets for US jewelry

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
21. Reflagging Kuwaiti Vessels (Sec. 2011 of Senate amendment)	No provision	No provision	Sense of Senate President should pursue alternatives to reflagging
22. Effective Date (Sec. 2012 of Senate amendment)	No provision	No provision	Title 20 provisions become effective 10/1/87
23. Assistance to Poland (Secs. 4701-4711 of Senate amendment)	No provision	No provision	Findings & policy on US aid to Poland; authorizes $1 m. in FY 88 for US-Polish S&T Agreement; earmarks $10 m. in FAA Title II funds for ag. activities; authorizes 8,000 MT grain in each of FY 88 & 89 for Poland; authorizes PL 480 local currency for certain projects; creates Joint US-Polish Commission; earmarks $2 m. in FAA funds for medical supplies; and earmarks $1 m. in FAA funds for Solidarity support
24. New Japanese Fighter Aircraft (Sec. 4901 of Senate amendment)	No provision	No provision	Sense of Senate that Japan should purchase new fighter aircraft from US
25. Reports on Countertrade and Offsets (Sec. 912 of House bill)	No provision	Requires that U.S. exporters report to the Commerce Department each contract (over $2 million) for a sale to a foreign person which, pursuant to the authority of the foreign government involved, requires countertrade or offsets as a condition for the sale	No similar provision

77-750 0 - 87 - 24

SUBCONFERENCE #5
INTERNATIONAL FINANCIAL POLICY

TABLE OF CONTENTS

		Page
1.	Sections of House Bill and Senate Amendment included in Subconference #5	278
2.	Conferees of the House and Senate and Sections for which they are appointed	279
3.	Comparison of House and Senate Provisions with Present Law	284
	A. Competitive Exchange Rates	284
	B. International Debt Management	293
	C. Limited Purpose Drawing Rights	296
	D. Regulations of Depository Institutions and International Debt	298
	E. International Debt Management Authority	303
	F. Multilateral Banks	306
	G. Facilitation of Private Capital for Developing Nations	312
	H. Multilateral Investment Guarantee Agency	315
	I. Inter-American Development Bank	320
	J. Export-Import Bank	324
	K. Tied Aid Credit Programs	325
	L. Export Trading Company Act Amendments	329

SECTIONS OF HOUSE BILL AND SENATE AMENDMENT INCLUDED IN SUBCONFERENCE #5 -- INTERNATIONAL FINANCIAL POLICY

House bill

Sec. 322
Title IV (Secs. 401-477), except Subtitle D (Secs. 461-471)
Sec. 702

Senate amendment

Secs. 1101-1103, 1106 and 1107
Title XIII (Secs. 1301-1305)
Title XV (Secs. 1501-1506)
Title XVII (Secs. 1701-1724)
Title XIX (Secs. 1901-1911)
Secs. 2001 and 2008
Secs. 2178-2180A

CONFEREES OF THE HOUSE AND SENATE AND SECTIONS FOR WHICH THEY ARE APPOINTED

Sections	House Conferees	Senate Conferees
Sections 322 of House bill; Section 1106 of Senate amendment	Banking, Finance, and Urban Affairs (6-4)	Banking, Housing, and Urban Affairs (3-2)
	St. Germain — Wylie Oakar — Leach (IA) Garcia — Bereuter Vento — McMillan (NC) Schumer Morrison (CT)	Proxmire — Garn Sarbanes — Heinz Dixon
Section 322 of House bill	Foreign Affairs (3-2)	
	Bonker — Roth Mica — Bereuter Berman	
Sections 401-406, 408, 411-414, 422, 427, 432, 433, 452 of House bill; Title XIII (Sections 1301-1305) of Senate amendment	Banking, Finance, and Urban Affairs (6-4)	Banking, Housing, and Urban Affairs (3-2)
	St Germain — Wylie Fauntroy — Leach (IA) Garcia — Bereuter LaFalce — McMillan (NC) Schumer Morrison (CT)	Proxmire — Garn Sarbanes — Heinz Dixon
Section 1304 of Senate amendment	Foreign Affairs (6-4)	
	Fascell — Broomfield Bonker — Roth Mica — Bereuter Berman — Miller (WA) Levine Bilbray	

Sections	House Conferees	Senate Conferees
Sections 407, 421, 423-426, 431, 451 of House bill; Title XVII (Sections 1701-1703, 1711-1714, 1721-1724) of Senate amendment	Banking, Finance, and Urban Affairs (6-4) St Germain, Fauntroy, Garcia, LaFalce, Schumer, Morrison (CT) Wylie, Leach (IA), Bereuter, McMillan (NC)	Banking, Housing, and Urban Affairs (3-2) Proxmire, Sarbanes, Dixon Garn, Heinz Foreign Relations (3-2) Pell, Sarbanes, Dodd Helms, Lugar
Section 451 of House bill	Foreign Affairs (6-4) Fascell, Bonker, Mica, Berman, Levine, Bilbray Broomfield, Roth, Bereuter, Miller (WA)	
Section 428 of House bill; Section 1506 of Senate amendment	Banking, Finance, and Urban Affairs (6-4) St Germain, Oakar, Vento, Barnard, Schumer, Morrison (CT) Wylie, Leach (IA), Bereuter, McMillan (NC)	Banking, Housing, and Urban Affairs (3-2) Proxmire, Sarbanes, Dixon Garn, Heinz
Sections 436-447 of House bill; Sections 2008 and 2178-2180A of Senate amendment	Banking, Finance, and Urban Affairs (6-4) St. Germain, Fauntroy, Garcia, LaFalce, Schumer, Morrison (CT) Wylie, Leach (IA), Bereuter, McMillan (NC)	Foreign Relations (3-2) Pell, Sarbanes, Dodd Helms, Lugar

Sections	House Conferees	Senate Conferees
Sections 476 and 477 of House bill; Sections 1101-1103 of Senate amendment	Banking, Finance, and Urban Affairs (6-4) St Germain, Fauntroy, Oakar, Garcia, LaFalce, Vento Wylie, Leach (IA), Bereuter, Roth	Banking, Housing, and Urban Affairs (3-2) Proxmire, Sarbanes, Dixon Garn, Heinz
Section 702 of House bill	Banking, Finance, and Urban Affairs (3-2) St Germain, Fauntroy, Oakar Wylie, McMillan (NC) Foreign Affairs (3-2) Bonker, Mica, Berman Roth, Bereuter Energy and Commerce (3-2) Dingell, Florio, Markey Lent, Rinaldo	Banking, Housing, and Urban Affairs (3-2) Proxmire, Sarbanes, Dixon Garn, Heinz
Section 1107 of Senate amendment	Judiciary (6-4) Rodino, Kastenmeier, Edwards (CA), Hughes, Schroeder, Crockett Fish, Moorhead, Hyde, Lungren	

Sections	House Conferees	Senate Conferees
Sections 1501-1504 of Senate amendment	Banking, Finance, and Urban Affairs (6-4)	Banking, Housing, and Urban Affairs (3-2)
	St Germain, Oakar, Vento, Barnard, Schumer, Morrison (CT) / Wylie, Leach (IA), Bereuter, McMillan (NC)	Proxmire, Sarbanes, Dixon / Garn, Heinz
Section 1503 of Senate amendment	Energy and Commerce (6-4)	
	Dingell, Florio, Markey, Sharp, Swift, Bryant / Lent, Moorhead, Rinaldo, Dannemeyer	
Section 1504 of Senate amendment	Foreign Affairs (6-4)	
	Fascell, Bonker, Mica, Berman, Levine, Bilbray / Broomfield, Roth, Bereuter, Miller (WA)	
Section 1505 of Senate amendment	Banking, Finance, and Urban Affairs (3-2)	Banking, Housing, and Urban Affairs (3-2)
	St Germain, Oakar, Vento / Wylie, Leach (IA)	Proxmire, Sarbanes, Dixon / Garn, Heinz
	Foreign Affairs (3-2)	
	Bonker, Mica, Berman / Roth, Bereuter	

Sections	House Conferees	Senate Conferees
	Energy and Commerce (3-2)	
	Dingell Florio Markey	Lent Rinaldo
Title XIX (Sections 1901-1911) and Section 2001 of Senate amendment	Banking, Finance, and Urban Affairs (6-4)	Foreign Relations (3-2)
	St Germain Fauntroy Garcia LaFalce Vento Schumer	Wylie Leach (IA) Bereuter McMillan (NC)	Pell Sarbanes Dodd	Helms Lugar
Sections 1908 and 1910 of Senate amendment	Judiciary (6-4)	
	Rodino Kastenmeier Edwards (CA) Hughes Schroeder Crockett	Fish Moorhead Hyde Lungren		

COMPARISON OF HOUSE AND SENATE PROVISIONS WITH PRESENT LAW

COMPETITIVE EXCHANGE RATES

Item	Present Law	House Bill	Senate Amendment
1. Competitive Exchange Rate (Title IV, Subtitle A of House bill; Title XIII of Sen. Amendment)	None	"Competitive Exchange Rate Act of 1987."	"Exchange Rates and International Economic Policy Coordination Act of 1987."
2. Findings (sec. 402(a) of House bill; sec. 1302(a) of Sen. Amendment)		An important factor contributing to our trade crisis is the U.S. dollar. Fundamental misalignments and erratic fluctuations in exchange rates frustrate business and government planning. Therefore, a relatively stable exchange rate is desirable. To achieve this, coordinated intervention in currency markets reinforced by changes in domestic economic policy is useful.	Currency values play a major role in determining the patterns of production and trade in the world economy. Reducing exchange rate volatility and persistent misalignment will require a greater degree of economic coordination in macroeconomic policy among major trading nations. This includes strengthening institutions and procedures for improving international economic coordination and intervention in foreign exchange markets when necessary.
3. Purposes (sec. 402 (b) of House bill; sec. 1302(b) of Sen. Amendment)		To encourage the President to seek to confer and negotiate with other countries to recommend proposals to modify the exchange rate system so as to obtain better coordination of macroeconomic policies; and greater stability in trade and current account balances and in the dollar and other currencies	To encourage the President to seek to confer and negotiate with other countries to recommend proposals to modify the international economic system so as to obtain-- same sustainable levels of trade and current account balances and stability in the exchange rates of the dollar and other currencies

Item	Present Law	House Bill	Senate Amendment
3. Purposes continued.		to encourage internationally coordinated strategic intervention in currency markets, when appropriate, in order to adjust the exchange rates of the dollar and other currencies so as to ensure that American industry is competitive in world markets.	to encourage the United States and the major industrialized countries to coordinate the participation by their central banks in international currency markets, where necessary to reduce severe fluctuations in the value of the currencies of the major industrialized countries, deter currency speculation, and promote orderly adjustment of exchange rates to reflect changed economic fundamentals.
		to increase the accountability of the President for the impact of exchange rates on trade competitiveness	to increase the accountability for the impact of exchange rates on trade competitiveness
4. International Negotiations on Exchange Rate Reform (sec. 403 of House bill; sec. 1304 of Sen. Amendment)	None	"International Negotiations on Exchange rate Reform."	"International Negotiations on Exchange Rates and Economic Policy Coordination."
a. Policy (sec.403(a) of House bill; sec. 1304(a) of Sen. Amendment)	Secretary of the Treasury's, authority under the 1934 Exchange Stabilization Fund, as modified in 1977 under Public Law 95-147. "The Secretary of the Treasury, with the approval of the President directly or through such agencies as he may designate, is authorized for the account of the fund established in this section, to deal in gold and foreign exchange and such other instruments of credit and securities as he may deem necessary, consistent with the United States obligations in the International Monetary Fund regarding orderly exchange arrangements and a stable system of exchange rates.	A U.S. priority in international negotiations shall be the achievement of a competitive exchange rate for the dollar.	The United States and the other major industrialized countries should take steps to institutionalize the process of coordinating monetary and fiscal policies initiated at the Tokyo Economic Summit in May 1986; the goal of policy coordination should be to eliminate imbalances in trade and capital flows and to stabilize exchange rates, thereby promoting the expansion of balanced international trade as well as to foster price stability in conjunction with economic growth;

Item	Present Law	House Bill	Senate Amendment
a. Policy continued.			The United States and other major industrialized countries, where appropriate, should coordinate the participation by central banks in the currency markets, with the objective of reducing severe fluctuations in the value of currencies of the major industrialized countries, deterring currency speculation, and promoting orderly adjustment of exchange rates.
b. International negotiations on exchange rates (sec. 403(b) of the House bill; sec. 1304(b) of Sen. Amendment)	Secretary of the Treasury's authority under the 1934 Exchange Stabilization Fund, as modified in 1977 under Public Law 95-147: "The Secretary of the Treasury, with the approval of the President directly or through such agencies as he may designate, is authorized for the account of the fund established in this section, to deal in gold and foreign exchange and such other instruments of credit and securities as he may deem necessary, consistent with the United States obligations in the International Monetary Fund regarding orderly exchange arrangements and a stable system of exchange rates."	The President shall seek to confer with other countries on the exchange rate system, either through a new or already established entity in order to review the existing system, provide for its long-term stability, coordinate macroeconomic policies and provide greater stability to the trade and current account balances and in the exchange rates of the dollar and other currencies.	Same, but does not specify that negotiations be conducted through a particular entity.

Item	Present Law	House Bill	Senate Amendment
c. Bilateral negotiations (sec. 403(c) of House bill; sec. 1304(c) of Sen. Amendment)		When the actual exchange rate of a major trade competitor (later defined as Japan, West Germany, Canada, Italy, France, the Republic of Korea, Taiwan, Singapore, and any other country with which the U.S. has substantial bilateral capital flows) is depressed below its competitive exchange rate through any formal or informal tie of its currency to the U.S. dollar, the President shall take action to initiate bilateral negotiations on an expedited basis for the purpose of ensuring that that competitor regularly and promptly adjusts the rate of exchange between its currency and the U.S. dollar to accurately reflect international competitiveness relationships.	The President shall determine on an annual basis which countries manipulate the rate of exchange between their currency and the U.S. dollar for purposes of preventing effective balance of payments adjustments or gaining unfair competitive advantage in international trade. If such countries (1) have material global current account surpluses; and (2) have significant bilateral trade surpluses with the U.S., the President shall take action to initiate negotiations with such foreign countries in the International Monetary Fund or bilaterally on an expedited basis for the purpose of ensuring that such countries regularly adjust the rate of exchange between their currencies and the United States dollar.
5. Currency Intervention (sec. 404 of the House bill; sec. 1304(a)(3) of Sen. Amendment)	Secretary of the Treasury's authority under the 1934 Exchange Stabilization Fund, as modified in 1977 under Public Law 95-147: "The Secretary of Treasury, with the approval of the President, directly or through such agencies as he may designate, is authorized, for the account of the fund established in this section, to deal in gold and foreign exchange and such other instruments of credit and securities as he may deem necessary, consistent with the United States obligations in the International Monetary Fund regarding orderly exchange arrangements and a stable system of exchange rates."	The Secretary of Treasury, in consultation with the Chairman of the Board of Governors of the Federal Reserve, shall, when appropriate, purchase and sell foreign currencies at such times as such purchase or sale would be most effective and in such amounts as will not expose the Treasury of unacceptable losses, in order to offset speculation and to assist the gradual movement of the actual exchange rate of the dollar toward its competitive exchange rate.	No mention of currency intervention. Closest provision is under POLICY (sec. 1304(a)(3), p. 541 "the U.S. and the other major industrialized countries (MICs), where appropriate, should coordinate the participation by central banks in international currency markets, with the objective of reducing severe fluctuations in the values of the currencies of the MICs, deterring currency speculation and promoting orderly adjustment of exchange rates."

Item	Present Law	House Bill	Senate Amendment
5. Currency Intervention continued.		Purchases and sales under subsection (a) shall be coordinated with other countries to the extent possible.	No provision
6. Reporting requirements (sec. 405(a) of House bill; sec. 1305(a) Sen. Amendment)		Secretary of the Treasury, after consulting with the Chairman of the Board of Governors of the Federal Reserve shall submit to the House and Senate Banking Committees within 30 days of enactment of this subtitle and on April 20 and September 20 of each year, independent written reports.	Not later than April 20 of each year, the Secretary of the Treasury, after consultation with the Chairman of the Board of Governors of the Federal Reserve, shall submit to the House and Senate Banking Committees independent written reports on international economic policy. Within 30 days of submitting the reports, the Secretary of the Treasury shall appear before both committees to testify on international economic policy.
a. Contents of Report (sec. 405(b) of House bill; sec. 1305(b) of Sen. Amendment)	None	Assessment of exchange rate market developments and the relationship between the U.S. dollar and other currencies of our major trade competitors; evaluation of conditions responsible for existing conditions in exchange rate markets; assessment of the impact of the dollar's exchange rate on the United States' ability to maintain a sustainable balance in its current account and merchandise trade account;	same
		An assessment of the impact of the exchange rate of the U.S. dollar on production, employment, and the international competitive performance of the U.S. manufacturing, agricultual, and mining industries; and potential increases in inflation and interest rates as a result of a severe decline in the dollar.	An assessment of the impact of the movement of exchange rates on production, employment, and international competitive performance of the U.S. economy.

77-750 0 - 87 - 25

Item	Present Law	House Bill	Senate Amendment
a. Contents continued.		Recommendations for changing U.S. economic policy in order to attain an appropriate and sustainable balance in the current account together with an assessment of the costs and benefits which would accompany any such change.	A statement of proposed changes in U.S. economic policy likely to impact the current account position, including domestic and international economic and monetary policies.
		Any recommendation for changes in U.S. policy which was made by the IMF on the occasion of the most recent consultation requested by the Fund under Article IV of Fund's Articles of Agreement, together with an explanation of how the Secretary has implemented or plans to implement any such recommendations or why it is economically sound to ignore any such recommendation.	Recommendations for changes in U.S. policies arising from the most recent consultation requested by the IMF under article IV of the Fund's Articles of Agreement.
		A report on any progress made by the Secretary and any other officer or employee of the United States(in the U.S. or abroad) in any effort undertaken to--(1)adjust the actual exchange rate of the dollar toward a value more consistent with a sustainable balance in the U.S. current account, including the effect of any intervention in foreign exchange markets on such actual exchange rate;(2) achieve modifications of the international exchange rate system to reduce instability and disequilibrium in exchange rates;	A report on the progress made by the Secretary and any other officer or employee of the U.S. government in achieving long-term reform of the international monetary system to reduce instability and disequilibrium in exchange rates.
		(3) negotiate with major trade competitors under sec. 403(c) (i.e., bilateral negotiations).	Reporting Requirement on bilateral negotiations is listed separately and states "report on any negotiations with major trade competitors under sec. 1304(c).

Item	Present Law	House Bill	Senate Amendment
a. Contents continued.		A statement of the objectives and plans for the Secretary with respect to--(1) the pursuit of domestic economic policies which are consistent with the achievement of an appropriate and sustainable current account balance; (2)the policy on intervention in foreign exchange markets; (3) any negotiations under sec. 403(c) (bilateral negotiations).	No provision
		An assessment of the overall effectiveness of currency intervention undertaken to adjust the actual exchange rate of the dollar.	No provision
		A detailed statement of the reasons for any lack of progress regarding international negotiations on modifications of the exchange rate system.	No exact equivalent, but it does require reporting of results of negotiations conducted pursuant to sec. 1304 (b)(1) (the international negotiations provision) including the policy positions of the participants in the negotiations. House version does not require policy positions.
b. Country-by-Country Analysis (sec. 405(c) of House bill)		Each report shall also contain an analysis of-- (1) the extent to which the actual exchange rate of the currency of each major trade competitor of the U.S. differs from a value consistent with underlying international competitive relationships.	No provision
		(2) any trend or policy which affects any such exchange rate or the international capital flows between or among countries and the U.S.	Analysis of the exchange rate trends and economic policies of Japan, West Germany, Canada, Taiwan, South Korea, and any other country with which the U.S. has substantial bilateral trade, substantial competition for international markets, or substantial capital flows. (sec. 1305(b)(9) p. 543.

Item	Present Law	House Bill	Senate Amendment
c. Federal Reserve report (sec. 405 (d) of House bill; sec. 1305(c) of Sen. Amendment)	Senate Amendment amends sec. 2A(1) of the Federal Reserve Act (12 USC 255a(1) which requires a semiannual review and analysis of developments affecting economic trends in the nation.	The Board of Governors of the Federal System may, as it deems appropriate, to the Committee on Banking, Housing, and Urban Affairs of the Senate independent report on any of the issues described in subsection (b)--contents--or (c) country-by country analysis.	Report by Board of Governors--sec. 2A(1) of the Federal Reserve Act (12USC 255a(1) by inserting after "the Nation" the following: ", including an analysis of the impact of the dollar's exchange rate on those trends.
d. Consultation with Congress (sec. 405(e) of House bill)	None	The Secretary shall consult with the Committee on Banking, Finance, and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate on the report after the report has been received by the respective committees. After receiving such report and consulting with the Secretary, each Committee shall submit to its respective body a report containing its views and recommendations with respect to the Secretary's intended policies.	No provision
7. Report on Capital Flows (sec. 406 of House bill; sec. 1305(b)(10) of Sen. Amendment)	Public Law 93-110, Sec. 5315. Reports on foreign currency transactions: (c) The Secretary of the Treasury shall prescribe regulations consistent with subsection (a) relating to collection of information on international capital flows.	The Secretary after consultation with the Chairman of the Board, shall submit to the Committee on Banking, Finance, and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate annual statistical report on international capital flows and the impact of such flows on exchange rates and trade flows.	A report on the size and composition of international capital flows, and the impact of such flows on exchange rates and trade flows.
8. Congressional Recognition of the Recommendations of the IMF (sec. 407 of House bill)		Upon completion, any consultation with the United States requested by the IMF under article IMF of the Fund's Articles of Agreement, the Secretary shall transmit to the Congress--(1) all official U.S. documents submitted to the Fund in the course of that consultation; and (2) all official Fund documents arising from that consultation.	No provision

Item	Present Law	House Bill	Senate Amendment
9. Definitions (sec. 408 of House bill; sec. 130 of Sen. Amendment)	None	Secretary refers to Secretary of the Treasury; Board refers to Board of Governors of the Federal Reserve System.	Same
		"Competitive Exchange Rate" means the set of exchange rates that would be consistent with an appropriate and sustainable balance in the current account, as determined by the Secretary based on an appropriate methodology that takes into account the appropriate facts which provide the most opportune prospect for economic growth.	No definition
		"Major Trade Competitor" means Japan, West Germany, Canada, Italy, France, the Republic of Korea, Taiwan, Singapore, and any other country with which the U.S. has substantial bilateral trade competition or bilateral capital flows.	"Major Trade Competitor" means any country with which the U.S. has substantial bilateral trade relations or bilateral capital flows.

Item	Present Law	House Bill	Senate Amendment
10. Short Title (sec. 411 of House bill; Title XVII, Subtitle A of Sen. Amendment)	None	"Third World Debt Management Act."	"International Debt"
11. Findings (sec. 412 of House bill; sec. 1701 of Sen. Amendment)		The international debt crisis threatens the safety and soundness of the international financial system. It has also adversely affected the U.S. balance of trade. In order to resolve the present crisis, the private and public sector--including the IMF, World Bank, and Development Banks must assume an increased role.	Similar provision with emphasis on the role the U.S. has played in absorbing increased exports from debtor countries, adverse impact of negative resource transfers from debtor countries, need to explore new international mechanisms to improve the management of the debt problem and to expand the range of financing options for developing countries, and need for industrialized countries with current account surpluses to increase their responsibility for a long-term solution to the problem.

Item	Present Law	House Bill	Senate Amendment
12. Purposes (sec. 413 of House bill; sec. 1702 of Sen. Amendment)		To expand the world trading system and raise the level of exports from the U.S. to developing countries, and to increase safety and soundness of U.S. depository institutions.	Same, but also to alleviate the international debt problem to make the debt situation of developing countries more manageable and permit the resumption of sustained growth in those countries.
		Provide a clear statement of support for a U.S. debt initiative for the heavily indebted developing countries, including an expanded role for the World Bank, other multilateral development banks, and the IMF in resolving the current debt crisis and achieve sustained growth and development for the developing nations.	No provision
		Provide explicit directions to the President and the Secretary of the Treasury about the initiatives which should be undertaken by the U.S. to resolve the international debt crisis and to achieve the twin goals of enhancing stability of the world financial system and expanding world trade and development.	No provision
13. Definitions (sec. 414 of House bill; sec. 1203(b) of Sen. Amendment)		"Multilateral development bank" means the International Bank for Reconstruction and Development, the Inter-American Development Bank, the African Development Bank, and the Asian Development Bank.	Definition found in Title XII, sec. 1203(b), p. 534, "Multilateral development bank" includes the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the Inter-American Investment Corporation, the Asian Development Bank, the African Development Bank, the African Development Fund.
		"World Bank" means the International Bank for Reconstruction and Development.	No definition

Item	Present Law	House Bill	Senate Amendment
14. Policy (sec. 1703 of Sen. Amendment)		No provision. (However, sec. 433 (p.467) in the House bill addresses the issues raised in policy statement 2. In addition, sec. 423(a)(4) in the House bill which states that Germany, Japan, and other trade surplus nations should be encouraged to increase their investments in the debtor countries is similar to policy statement 4.	It is the policy of the U.S. that (1) increasing growth in the developing world is a major goal of international economic policy; (2) it is necessary to broaden the range of options in dealing with the debt problem to restructure existing debt; (3) active consideration of a new multilateral authority to improve the management of the debt problem and to share the burdens of adjustment more equitably must be undertaken; and (4) countries with strong current account surpluses bear a major responsibility for providing financial resources needed for growth in the developing world.

LIMITED PURPOSE DRAWING RIGHTS FOR THE POOREST HEAVILY INDEBTED COUNTRIES

Item	Present Law	House Bill	Senate Amendment
15. "International Debt Management and Economic Growth," Limited Purpose Drawing Rights for the Poorest Heavily Indebted Countries (sec. 421 of House bill; sec. 2008 of Sen. Amendment)	None	Under chapter 2 of Title IV, Subtitle B--"International Debt Management and Economic Growth": Study of the feasibility and the efficiency of reducing the international debt of the poorest of the heavily indebted countries through a one-time allocation by the IMF of limited purpose Special Drawing Rights to such countries in accordance with a plan which provides that--the allocation be made without regard to the quota established for any such country under the Articles of Agreement of the Fund; limited purpose Special Drawing Rights be used only to repay official debt of any such country; the allocation of limited purpose Special Drawing Rights to any such country not be treated as an allocation on which such country must pay interest to the Fund; and the use of limited purpose Special Drawing Rights by any such country to repay official debt shall be treated as an allocation of regular Special Drawing Rights to the creditor.	Under section 2008 et. al. of Title XX--"International Financial Affairs: Miscellaneous Provisions" Similar provisions
a. Contents of study (sec. 421(a)(2) of House bill; sec. 2008(a)(b) of Sen. Amendment)		-- to the extent the creation and allocation of the limited purpose Special Drawing Rights described in paragraph (1) would require an amendment of the Articles of Agreement of the International Monetary Fund, an assessment of the period of time within which such amendment could be ratified by the member nations, based on discussions with the major members of the Fund. -- an assessment of other means for achieving the objectives of principal and interest reduction on official debt of the poorest heavily indebted countries through the use of Special Drawing Rights. -- an analysis of the effect the implementation of the provisions of paragraph (1) would have on bilateral and multilateral lenders, the international monetary system, and such other provisions of this Act as may be appropriate.	same

Item	Present Law	House Bill	Senate Amendment
a. Contents continued.		A comparative evaluation of proposals of other members of the IMF, the directors and staff of the Fund, and other interested parties.	No provision
		A comparative analysis of the available alternatives identified under subparagraph (B) (re: principal and interest reductions) or (C) (re: IMF proposals).	No provision
b. Reporting Requirements (sec. 421(b) of House bill; sec. 2008(b) of Sen. Amendment)		Requires Secretary of the Treasury to submit a report to the Committee on Banking, Finance, and Urban Affairs of the House and the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate before the end of a 3 month period beginning on the date of enactment of this Act. The report should, among other things, specify which, of all the alternatives for providing relief for the poorest of the heavily indebted countries which were assessed in connection with the study, represents the best available option.	Requires Secretary of Treasury to submit a report to the Committee on Banking, Finance and Urban Affairs of the House and the Committee on Foreign Relations of the Senate no later than 3 months after the enactment of this Act. The Secretary should recommend what, if anything, should be done with respect to working to obtain agreement with other Fund members to allocate special drawing rights to the poorest, most heavily indebted members of the Fund.

REGULATIONS OF DEPOSITORY INSTITUTIONS AND INTERNATIONAL DEBT

Item	Present Law	House Bill	Senate Amendment
16. Provisions Relating to the Regulation of Depository Institutions (sec. 422 of House bill; sec. 1721 (2) of Sen. Amendment)	None	Regulatory Objectives: It is the sense of Congress that regulations prescribed by federal regulatory agencies which U.S. commercial banks should grant the widest possible latitude to the banks for negotiating principal and interest reductions with respect to obligations of heavily indebted sovereign borrowers.	Under Statement of Policy sec. 1721, p. 578., it states that within the constraints required by regulatory concerns for safety and soundness, U.S. commercial banks should have significant latitude to restructure the terms and conditions on their existing international loans so that additional new lending to heavily indebted countries is not the only option available to U.S. commercial banks in responding to the financial needs of heavily indebted countries.
		Flexibility in Debt Restructuring: It is the intent of Congress that Federal agencies which regulate depository institutions should when applying generally accepted accounting standards give those institutions the maximum flexibility in determining the asset value and accounting for the effects of restructured loans to debtor nations.	No provision
		Recapitalization: Federal regulators should require depository institutions with heavy exposure to debtor nations to maintain prudent capital-to-total asset ratios.	No provision
		Reserves for Loan Losses: It is the intent of the Congress that Federal agencies which regulate and oversee the operations of depository institutions should seek to ensure that appropriate levels of reserves be established by depository institutions engaged in substantial lending to heavily indebted sovereign borrowers in accordance with both the credit and country risks associated with such lending.	Under Statement of Policy, sec. 1721(1), p.578 commercial banks should establish sufficient reserves against the risks inherent in international lending to protect their depositors from potential future interruptions in the timely repayment of principal and interest on these loans.

Item	Present Law	House Bill	Senate Amendment
a. Regulatory Study (sec. 422(e) of House bill; sec. 1723 of Sen. Amendment)	None	No policy statement	It is the policy of the U.S. that the Secretary of the Treasury and appropriate Federal banking agencies shall encourage the improvement of the economic health of U.S. and other countries and of commercial banks by strengthening initiatives which address the high level of debt of certain developing countries. This policy shall be furthered by strengthening the bank regulatory framework.
		A study is required of the Comptroller of Currency, the Board of Governors of the Federal Reserve, and the Federal Deposit Insurance Corporation to determine the extent of regulatory obstacles to the debt service obligations associated with sovereign debt.	Study is to be analysis of possible regulatory steps to encourage a reduction in the indebtedness of heavily indebted international borrowers to supervised banks in a way that would improve overall bank asset quality and reduce the burden of these loans on the countries themselves.
		Specific factors to be studied: Analyses of: -- regulatory and accounting obstacles -- statutory and regulatory changes -- how OECD countries engage in country risk analysis with respect to loans to heavily indebted sovereign borrowers -- prevailing banking practices in the United States with respect to loans to heavily indebted countries -- profitability of sovereign lending of developing countries with the nine largest United States banks since 1976.	

Item	Present Law	House Bill	Senate Amendment
17. Report (sec. 422(e)(3) of House bill; sec. 1723 of Sen. Amendment)	None	Report required before the end of the 6 mo. period beginning on the date of the enactment of this Act, the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the FDIC shall each submit a report to the Congress containing the findings and conclusions of each such agency with respect to the study required under paragraph (1), together with any recommendations concerning legislation with such agency determines to be necessary or appropriate to remove regulatory obstacles to negotiated reductions in the debt ser-service obligations associated with sovereign debt.	Not later than 6 months after the date of enactment of this section, the Secretary of the Treasury, along with appropriate Federal banking agencies, shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance, and Urban Affairs of the House a written report of a study analyzing regulatory steps that might be taken to ease the debt burden of LDCs while maintaining the safety and soundness of the banking system.
18. Definitions (sec. 422(e)(4) of House bill)	None	For the purposes of this section "banking organization" means a bank holding company and "total financial assets" means the total consolidated financial assets of any banking organization as determined by the Secretary of the Treasury.	No provision

77-750 0 - 87 - 26

Item	Present Law	House Bill	Senate Amendment
19. Flexible procedures for debt rescheduling (sec. 433 of House bill; sec. 1721(2) & 1722 of Sen. Amendment)	None	Flexible Procedures for debt rescheduling.	Facilitation of debt for equity swaps and regulatory study.
a. Purpose (sec. 433(a) of House bill)		To make banks aware of a range of options available to them during the rescheduling of debts with LDCs.	No provision
b. Establishment of guidelines (sec. 433(b) of House bill)		The Department of the Treasury and each appropriate Federal banking agency shall offer banks with a significant amount of loans to LDC debtors a range of options during the course of a rescheduling agreement. This process will be set in motion once a bank and the indebted country begin renegotiating or restructuring that country's debt service payments. During the negotiating process, a numerical target for debt relief will be established in dollar amounts. The bank would provide a prorated share of debt relief based on the size of its outstanding loans to the debtor country. The options include: lending new money; allowing debt forgiveness; permitting interest rate reduction or forgiveness; debt-equity swaps; or any combination of available options. The plan would not be mandatory.	No exact equivalent. But Findings in sec. 1701(9), p.570, states that current approaches to the debt problem should not rely solely on new lending as a solution to the debt problem, and should focus on other financing alternatives including a reduction in current debt service obligations; Statement of Policy in sec. 1703(2), p. 571, states that it is necessary to broaden the range of options in dealing with the debt problem to include improved mechanisms to restructure existing debt. Statement of Policy in sec. 1721(2), p.578 states that banks should have latitude in the restructuring of their international loans so new lending is not the only option available to them.

Item	Present Law	House Bill	Senate Amendment
20. Banks' Foreign Loan Risks (sec. 1724 of Sen. Amendment)	Amends section 913 of the International Lending Supervision Act (ILSA), which is concerned with the supervisory framework for international lending by U.S. banks.	No provision	This provision amends ILSA by requiring a report by Federal banking agencies to the House and Senate Banking Committees by April 30, 1988 and once a year thereafter on: the level of loan exposure of banking institutions which are rated "value-impaired," "substandard," "other transfer risk," or any other troubled debt category. It shall give a breakdown of the loan exposure of the largest banks, including a yearly breakdown of new loans to major debtors; progress made by the banking regulatory agencies in reducing the risk of U.S. banks with a large number of loans to debtor nations; the relationship between debt and trade and the lending of U.S. banks to debtor nations; the response by other nations' regulatory agencies to debt problems; and steps taken during the year prior to the issuing of the annual report by debtor nations to encourage foreign investment. Each Federal banking agency may provide data in the aggregate to ensure confidentiality.

Item	Present Law	House Bill	Senate Amendment
21. Negotiations to Establish an International Debt Management Authority (sec. 423 of House bill; sec. 1711 & 1712 of Sen. Amendment)	None	Secretary of the Treasury shall initiate negotiations with industrialized countries and such developing countries as the Secretary may determine to be appropriate to propose the establishment of a multilateral financial intermediary, which would be authorized to: purchase sovereign debt of less developed countries from private creditors; assist debtor nations in restructuring their debt; help commercial banks to dispose of their debt and encourage Germany, Japan and other trade surplus nations to invest in debtor nations.	The Secretary of the Treasury shall study the feasibility and advisability of establishing the multilateral financial authority described in this section. If the Secretary determines that initiation of international discussions with regard to such facility would result in material increase in the discount at which sovereign debt is sold or would materially increase the probability of default on such debt, or would materially enhance the likelihood of debt service failure or disruption, he shall include in his first interim report to the Congress an explanation of the reasons for his determination. Unless such a determination is made, the Secretary shall initiate discussions with such industrialized and developing countries as he may determine to be appropriate, with the intent to negotiate the establishment of a multilateral financial authority which would undertake activities similar to the House authority, except sovereign debt could be purchased at an appropriate discount.
a. Specific proposals (sec. 423(b) of House bill; sec. 1712(a) & (b) of Sen. Amendment)	None	In any negotiations initiated under subsection (a), the Secretary should include the following specific proposals: the participating countries agree to the establishment of an international debt management authority which would purchase LDC sovereign debt at a discount, and	The Secretary should include in any discussion initiated under subsection (a) the following specific proposals; (1) any loan restructuring assistance provided by such facility to any debtor nation should involve commitments by the debtor to follow economic policies designed to improve resource utilization and to

Item	Present Law	House Bill	Senate Amendment
a. Specific Proposals continued.		that the facility be authorized to negotiate with the debtor country whose debt the facility has purchased for purposes of achieving an agreement for retiring or restructuring such debt. These negotiations might include allowing: repurchase of debt by debtor country at discounted price paid by facility; debt-equity swaps by debtor country; repackaging of debt instrument into securities by facility; allowing the facility to hold the renegotiated debt as the creditor of the country. The participating countries must agree that in conjunction with negotiations referred to in subsection (a), any assistance for restructuring or retiring debt be made contingent upon: conditions within the country ensuring a minimization of capital flight; the submission of an economic management plan, including where appropriate the development of a minimum wage standard; The participating countries must agree that the facility be authorized to issue bonds, debentures or other obligations for the purchases of debt instruments;invest the funds obtained through the sale of any debt instruments,equity assets or securities in such securities or other obligations as the the participating countries may prescribe The participating countries agree that the management of the authority shall be under a governing board composed of such members as the participating countries may provide in such agreement. The countries must agree to make such changes in the regulations and procedures applicable to the banks of each such country and the sovereign debt held by such banks as may be necessary to facilitate the operation of the debt management facility.	minimize capital flight, and preparation of an economic management plan calculated to provide sustained economic growth and to allow the debtor to meet its restructured debt obligations. (2) that support for such an authority should come from industrialized countries, and that greater support should be expected from countries with strong current account surpluses; (3) that such a facility should have a clearly defined close working relationship with the IMF and World Bank and the various regional development banks; (4) that such an authority should be designed to operate as a self-supporting entity, requiring no routine appropriation of resources from any member government, and no funding on the part of the U.S. government without express approval of the Congress; (5) that such an authority should have a defined termination date and a clear proposal for the restoration of creditworthiness to debtor countries within this timeframe.

Item	Present Law	House Bill	Senate Amendment
b. Interim Reports (sec. 423(c) of House bill; sec. 1712(c) of Sen. Amendment)	None	Requires reports on negotiations at the end of 3 month period beginning on date of enactment of this Act, and every 3 months thereafter.	Requires reports on study or discussions at the end of the 6 month period beginning on the date of enactment of this Act, and 12 months thereafter.
c. Final Report (sec. 423(d) of House bill; sec. 1712(d) of Sen. Amendment)	None	Upon the conclusion of negotiations described in subsection (a), the Secretary shall submit a report containing a detailed description of the agreement of the participating countries to the House and Senate Banking Committees, and to the Senate Foreign Relations Committee, together with such recommendations for enabling legislation which the Secretary may determine to be necessary for appropriate for the implementation of the agreement.	Upon conclusion of the study or discussions described in subsection (a), the Secretary shall transmit a report containing a detailed description thereof to the House and Senate Banking Committees and to the Senate Foreign Relations Committee, together with such recommendations for legislation which the Secretary may determine to be necessary or appropriate for the establishment of a multilateral financial authority.
d. Insurance Fund (sec. 423(e) of House bill)	None	The Secretary of the Treasury and the Chairman of the Board of Governors of the Federal Reserve shall jointly submit a report on the feasibility of creating an insurance fund financed through fees imposed on the acquisition of debt by the debt management facility. This fund would be used to prevent against ultimate default by debtor countries on their securitized or restructured loans.	No provision

MULTILATERAL BANKS

Item	Present Law	House Bill	Senate Amendment
22. Action by Multilateral Institutions, Collateral Study, (sec. 424(a), of House Bill; sec.1713, of Sen. Amendment)	No provision	Requires the Secretary of the Treasury to direct the Executive Directors of the IBRD and the IMF to determine the amount of, and alternative methods by which, liquid assets and gold could be pledged as collateral to obtain financing for the activities of the authority described in sec.423. Requires that the Executive Directors report the results of such determinations before the end of the 60-day period beginning on the date of enactment of this Act.	Parallels House provision except that it requires Treasury to examine financial resources available to multilateral institutions for possible use in financing facility. In addition, it states that any funds appropriated for the debt authority must be expressly approved by Congress in subsequent legislation.
23. Need for Capitalization, (sec. 424(b) of House Bill)	No provision	It is the sense of the Congress that the need for capitalization will be reduced given the role of the intermediary as market facilitator	The Secretary of the Treasury shall include a report on the results of the review in the first report submitted under sec. 1712(c). No provision.

Item	Present Law	House Bill	Senate Amendment
24. Appointment of Commercial Service Officers to U.S. Executive Directors Office of MDBs (sec. 313, of House Bill; sec. 1201 (c) of Sen. Amendment.)	An informal arrangement now in existence between Commerce and E.D.s' of IBRD and IDB, a Commerce procurement officer is now fulfilling a similar role to that envisioned for Commercial Officers.	Requires Sec. of Commerce and Treasury to appoint Foreign Commercial Service Officer to U.S. Executive Directors's office in each MDB. The purpose is to promote U.S. exports via MDB procurement, disseminate information on bidding opportunities.	Sense of the Congress that the U.S. Executive Directors disseminate information on procurement opportunities to U.S. firms and that a Foreign Commercial Officer be assigned to each Director's office.
25. Establish an International Trade Administration Office (sec. 1203 of Sen. Amendment.)	None	No provision	Sec. of Commerce shall designate an International Trade Administration office to serve as a liaison to MDBs headquartered outside Washington, D.C. to disseminate information on procurement opportuntites.
26. Fair access of U.S. firms to MDB procurement/ Assign Foreign Commercial Officer to U.S. Executive Directors of MDBs (sec. 424 (2)(c) of House sec. 1801 of Sen. Amendment.)	Treasury shall seek to insure that export information regarding MDB lending shall be forwarded to State and Commerce Departments. A system for broad dissemination to large and small businesses shall be devised. (Int'l. Financial Institutions Act of 1980, Title IV)	U.S. Executive Directors must take actions to assure that U.S. bidders are fully informed of procurement opportunities and that complaints lodged regarding procurement bids are investigated. Treasury, in conjunction with Commerce shall appoint a Foreign Commercial Officer to serve in each Executive Directors Office.	Identical to subsection (c) of sec. 424 of House Bill. Commerce, in consultation with Treasury should appoint Foreign Commercial Service Officer to ensure promotion of U.S. exports Bill; disseminate information on bidding opportunities. Would establish an office of Procurement within Treasury to liaison with Commercial officers, provide technical assistance to U.S. firms, particularly small and medium sized, to help facilitate successful procurement.

Item	Present Law	House Bill	Senate Amendment
27. Reducing Capital Flight,(sec. 425, of House Bill; sec. 1714, of Sen. Amendment)	Reporting requirement on all foreign currency and capital flows under Public Law 93-110 as amended by P.L. 97-258 and recodified as Title 31, U.S.C.	It is the sense of the Congress that the Executive Directors to the MDBs should initiate discussions with other directors of the Banks for the purpose of developing policy proposals for both developed countries and developing countries to reduce the level of capital transfers from the developing countries. Any such proposal which is applicable to the United States should be reported to the Secretary of the Treasury and the Chairman of the Board of Governors of the Federal Reserve System.	It is the sense of Congress that the Secretary of the Treasury should -- assess whether current reporting requirements mandated by the Secretary or by other bank regulatory authorities are adequate in measuring the extent of capital flight. Furthermore, it is the sense of Congress that the United States Executive Director of the IMF should initiate discussions with other directors of the Bank (sic) for the purpose of developing proposals for both developed countries and developing countries, respectively which, if implemented, would reduce the level of capital transfers from the developing countries.

Item	Present Law	House Bill	Senate Amendment
28. "Study and Report on Certain IMF Activities" (sec. 426 of House bill)	None	"Study and Report on Certain IMF Activities."	No provision
a. Study required (sec. 426 of House bill)		Study required of the U.S. Executive Director of the IMF on the impact of the Fund's economic adjustment programs on the political stability of LDC country democracies, the role the Fund intends to play in helping to resolve the debt crisis, and a report on the implementation of Section 49 of the Bretton Woods Agreement Act concerning fair trade practices. The report is to be issued 6 months after the enactment of the bill.	

Item	Present Law	House Bill	Senate Amendment
29. Structural Adjustment Lending (sec. 427 (a) of House Bill)	Policies should be pursued in the LDCs to assist the poor majority in participating in equitable growth. (Sec. 102 of Foreign Assistance Act of 1961).	U.S. Executive Director of World Bank in consultation with other E.D.s should seek to ensure that the conditionality attached to structural adjustment loans (SALs) includes innovations designed to minimize any adverse impact on the lowest income groups in the developing countries including steps which remove barriers to credit for microenterprises and promote environmentally sound development.	No provision
30. Small-scale Credit (sec. 427(b) of House Bill)	None	U.S. Executive Director of World Bank and if appropriate other MDBs should seek the establishment of mechanisms for making small-scale credit available to low-income groups in the LDCs which have not had previous access to such credit.	No provision

Item	Present Law	House Bill	Senate Amendment
31. Report Required (sec. 427 (b) of House Bill)	None	(A) Treasury to submit report to Foreign Relations and Banking Committees one year after enactment on wether SALs have increased domestic savings rates, liberalized trade, encouraged direct investment and reduced capital flight in LDCs. (B) Report to also include economic and demographic data on the impact of SALs on income groups in the LDCs, particularly the effect on provision of basic human needs, health care and adequate nutrition.	No provision

FACILITATION OF PRIVATE CAPITAL FOR DEVELOPING NATIONS

Item	Present Law	House Bill	Senate Amendment
32. Private Capital Sources for Developing Nations (sec. 431 of House bill; secs. 1722 & 1723 of Sen. Amendment)	Senate Amendment (sec. 1723) amends Sec. 913 of the International Lending and Supervision Act, which is concerned with the supervisory framework for international lending by U.S. banks.	Private Capital Sources for Developing Nations.	Facilitation of Debt for Equity Swaps & a Regulatory Study
a. Study required (sec. 431 of House bill; secs. 1722 & 1723 of Sen. Amendment)		A study is required of the Secretary of Treasury, working in conjunction with the Chairman of the Board of the Federal Reserve, the Comptroller of the Currency, the Bank for International Settlements, and experts outside the government on changes in the structure of U.S. capital markets and the regulation of private financial institutions which would be necessary to resolve the debt crisis. The study shall be issued within 6 months of the enactment of the bill.	Section 1722 requires a study on debt-equity swaps by "appropriate Federal banking agencies" to review any legislative changes that may be necessary to facilitate debt-equity swaps by Jan. 15, 1988. In addition, the U.S. Executive Director of the World Bank is to initiate discussions within the Bank and the International Finance Corp. on how both institutions can facilitate debt-equity swaps. Sec. 1723 authorizes a study by the Treasury and appropriate banking agencies analyzing possible regulatory steps which would encourage a reduction in the indebtedness of debtor nations, with the aim of improving bank asset quality and reducing the burden of these loans on the countries themselves. This study is to be issued no later that 6 months after the enactment of this section.

Item	Present Law	House Bill	Senate Amendment
b. Topics to be included in the study (sec. 431 of House bill)		Topics to be included in study: regulatory changes to encourage the growth of a secondary market; payment of a portion of debt service in local currency; analysis of impact of debt relief on the U.S. financial system; evaluation of changes in tax laws to encourage U.S. banks to forgive LDC debt; feasibility of establishing a national debt management facility; examination of tax and regulatory environment in other nations encouraging their banks to recognize loan losses; evaluation of any potential role for the Bank for International Settlements in helping to resolve the debt crisis; feasibility of banks seeking an expansion of the secondary market for LDC debt; evaluation of additional options for funding within domestic and international capital markets for debtor nations other than through commercial banks; and evaluation of the market for debt-equity swaps.	No provision

Item	Present Law	House Bill	Senate Amendment
33. Mobilization of Private Capital. (sec. 432 of House Bill)		U.S. Executive Directors of MDBs to initiate discussions with other E.D.s and propose greater use of cofinancing to encourage more commercial bank lending, and that steps be taken to satisfy credit needs of private income-generating small businesses or microenterprises owned by poorest individuals in LDCs.	No provision
a. MDB Actions	None		
b. Increase in the role of World Bank as Intermediary	None	U.S. Executive Directors of World Bank and IMF to initiate discussions for purpose of increasing the role of the Bank and Fund as intermediaries in generating new capital and creating new capital instruments for the benefit of the developing countries.	No provision

Multilateral Investment Guarantee Agency (MIGA)

Item	Present Law	House Bill	Senate Amendment
34. Multilateral Investment Guarantee Agency (MIGA) (sec. 436 - 445 of House Bill; sec. 1901 - 1911 of Sen. Amendment)	None		
a. Short Title (sec. 436 of House Bill; sec. 1901 of Sen. Amendment)		Multilateral Investment Guarantee Act (MIGA)	Same as House
b. Acceptance of Membership (sec. 437 of House Bill; sec. 1902 of Sen. Amendment)		Provides for U.S. acceptance of membership	Same as House
c. Governor and Alternate Governor (sec. 438 of House Bill; sec. 1903 of Sen. Amendment)		Stipulates U.S. governor and alternate governor	Same as House
d. Applicability of Woods Agreements Act (sec. 439 of House Bill; sec. 1904 of Sen. Amendment)		Conditions outlined in Bretton Woods Acts apply to MIGA	Same as House
e. Restrictions (sec. 440 of House Bill; sec. 1905 of Sen. Amendment)		Restrictions which apply to U.S. membership	Same as House
f. Federal Reserve Banks as Depositories (sec. 441 of House Bill; sec. 1906 of Sen. Amendment)		Federal Reserve Banks are to serve as depositaries for MIGA	Same as House

Item	Present Law	House Bill	Senate Amendment
(MIGA cont'd)			
35. Subscription of Stock (sec. 442 of House Bill; sec. 1907 of Sen. Amendment)	None		
a. Authorization of Subscription		Treasury is authorized to subscribe to 20,519 shares of capital stock of MIGA	Same as House
b. Authorization of Appropriation		$222,015,580 is authorized to be appropriated without fiscal year limitation	$222,015,580 is authorized to be appropriated without fiscal year limitation except that not more than $44,403,000 shall be made available for paid-in capital in FY 88.
c. Dividends		Any payment of dividends shall be deposited in Treasury	Same as House
d. Conditions on U.S. Membership		No provision	Notwithstanding subsection (a) and (b) the Secretary of the Treasury may not deposit instruments of ratification, become a member of the Agency, obligate or make available funding for subscribed stock of Agency until such time as Secretary has incorporated into the rules and regulations which will govern the operations of the Agency with respect to the issuance of insurance and guarantees the following prohibitions:

Item	Present Law	House Bill	Senate Amendment
(MIGA cont'd)			
d. Conditions on U.S. Membership (cont'd)			(A) No insurance or guarantees shall be issued if such investment is likely to reduce the number of U.S. employees which the investor employs in the U.S. because such investment is intended to replace U.S. production. (B) No insurance or guarantees shall be issued -- (i) if such investment is likely to result in production for export to the U.S. and will be in direct competition with U.S. producers; or (ii) if such investment is likely to result in the production of goods for export to third countries, if such goods are likely to compete with U.S. exports to such country. (C) No insurance or guarantees shall be issued if the member country receiving such imposes performance requirements as a condition of permitting the establishment, expansion, or maintenance of investments owned by nationals or companies of another member country.

Item	Present Law	House Bill	Senate Amendment
(MIGA cont'd)			(D) No insurance or guarantees shall be issued if such member country has failed to take steps to adopt laws that extend internationally recognized workers' rights as defined in in sec. 502(a)(4) of the Trade Act of 1974 to workers in the member country. (E) The U.S. shall support any other member country's request for similar protection for its trade balance and domestic economy as provided in subparagraphs (A) and (B) (F) The requirements of this paragraph shall be incorporated into the rules and regulations which will govern the Agency in order to establish them as policy of the Agency without a requirement that they be included in the Convention. (2) The Secretary may not deposit instruments of ratification, provide funds or otherwise participate in the Agency until the Agency has adopted the prohibitions specified in paragraph (1) as part of its rules and regulations and has so reported Senate Foreign Relations and House Banking Committees.

Item	Present Law	House Bill	Senate Amendment
36. a. Jurisdiction of U.S. Courts and Enforcement of Arbitral Awards (sec. 443 of House Bill; sec. 1908 of Sen. Amendment)	None	Jurisdiction of U.S. Courts and enforcement of Arbitral (a) Venue (b) Jurisdiction (c) Removal	Same as House except that there is no (a), (b), (c) subheading breakdown
b. Force and Effect (sec. 444 of House Bill; sec. 1909 of Sen. Amendment)	None	Force and Effect of Convention	Effectiveness of Convention heading, otherwise provisions identical
c. Full Faith and Credit for Arbitral Awards (sec. 445 of House Bill; sec. 1910 of Sen. Amendment)	None	Full Faith and Credit for Arbitral Awards	Arbitral Awards heading, otherwise provisions identical
d. Effective Date (sec. 1911 of Sen. Amendment)	None	No provision	Act shall become effective October 1, 1987
37. Budget Offset for MIGA (sec. 2001 of Sen. Amendment)	None	No provision	Not more than $11,600,000 of the funds authorized to be appropriated as the paid-in capital for the U.S. contribution to the General Capital Increase, Selective Capital Increase of 1970, and the Selective Capital Increase of 1984 of the I.B.R.D. shall be appropriated during FY 88.

Item	Present Law	House Bill	Senate Amendment
38. Inter-American Development Bank	Inter-American Development Bank Act as amended		
a. Merger Of Inter-Regional and Ordinary Capital (sec. 446 of House Bill)		Allows US Governor of IDB to agree to and accept amendments to the Articles of Agreement which would merge the Inter-Regional and Ordinary Capital resources of the Bank.	No provision
b. Waiver of Country Program Limitations under new Replenishment Agreement, (sec. 447 of House Bill)	None	U.S. Executive Director to IDB is to initiate discussions with other IDB directors and propose that any country program limitation adopted as part of next replenishment agreement reached after adoption of this act could be waived if the Directors determine that --	No provision

Item	Present Law	House Bill	Senate Amendment
Inter-American Bank Waiver of Country Limit (cont'd)		the waiver would not deprive any other country of any resources which are available under such agreement for such country; and (2) the country for which the waiver would be made has -- (A) a need for the resources which the waiver would make available (B) the capacity to absorb such additional resources.	
39. Limitation on International Financial Assistance (Foreign Agriculture Investment Reform or F.A.I.R.), (sec. 2178 - 2180 (a) of Sen. Amendment)	U.S. policy in the MDBs shall seek to combat hunger and malnutrition by channeling MDB agricultural aid to projects designed to alleviate hunger and fulfill domestic food needs and away from projects designed to produce certain agricultural products for export. {I.F.I. Act of 1977, sec. 901 (A)}	No provisions	The U.S. Executive Directors to the MDBs are to use voice and vote to oppose any assistance using appropriated or other funds made available by law for the production or extraction of any commodity or mineral unless the Secretary-- (1) determines in consultation with the Secretaries of Agriculture, Energy and Interior as appropriate that such commodity or mineral is not in surplus on world markets; (2) certifies that assistance from sources other than the MDBs accompanies the proposed assistance by such institutions and is provided in an amount sufficient to demonstrate the economic viability of such production or extraction of the commodity or mineral;

Item	Present Law	House Bill	Senate Amendment
(F.A.I.R., cont'd)			(3) determines, in consultation with the Secretaries of Agriculture, Interior and Energy as appropriate that the production, marketing, or export of commodities or minerals due in part or in whole to such assistance is not subsidized as described within Articles V, XVI, and XXIII of the GATT done at Geneva on April 12, 1979; and (4) submits to the Congress a report detailing the justification for his determinations.
	[Note: Sec. 10 of the Articles of Agreement of the IBRD, no member state may add any conditions on its subscription to the organization (see pg. 438, vol. 3, Legislation on Foreign Relations after 1985)]		(a) If any MDB approves financial assistance for the production or extraction of any commodity or mineral which would require the opposition of the US Executive Director pursuant to Sections 2178 - 2180 B of this Act, the Secretary or his designee shall not agree to -- (1) any increase in the capital share of that institution; (2) any replenishment of funding for that institution; or (3) the letting of any instrument or note of credit by that institution either in the US or denominated in the currency of the US, until he obtains a written commitment from the management of the institution that no future assistance will be proposed which would require the opposition of the US Executive Director to that institution pursuant to Sections 2178 - 2180B of this Act.

Item	Present Law	House Bill	Senate Amendment
40. Reduction of US Contributions (sec. 2180A of Sen. Amendment)	None	No provision	(a) The amount of payments which the US may make to the paid-in capital of an MDB during any capital expansion or replenishment may not exceed the amount of funds which the US agreed to pay for paid-in capital or replenishment minus an amount which bears the same proportion to the aggregate amount of assistance described in Subsection B furnished by such institution as the US share of the expansion or replenishment bears to the total amount of expansion or replenishment. (b)(1) The aggregate amount of assistance furnished by an MDB which pursuant to sec. 2178 - 2180B of this Act would have been opposed by the US Executive Director to that Institution during the period described in paragraph (2). (b)(2) The period referred to in (1) is the same number of years as the capital expansion or replenishment period. (c) Any funds withheld from an MDB pursuant to this Act shall be used to reduce the public debt. The Treasury is to notify the MDBs upon enactment.

EXPORT-IMPORT BANK

Item	Present Law	House Bill	Senate Amendment
41. Export-Import Bank (sec. 322 of House bill)	None	Sense of Congress on importance of Export-Import Bank financing to exports.	No provision.
42. Amendments to sec. 2(e) of the Export-Import Bank Act of 1945 (sec. 1106 of Sen. Amendment)	Export-Import Bank Act of 1945, sec. 2(e) prohibits the bank from extending loans or guarantees for production by foreign countries of certain commodities if they may cause harm to U.S. producers of those commodities.	No provision	
43. Time for determining supplies (sec. 1106(a) of Sen. Amendment)			Amends existing language to state that bank should be concerned about surplus product not when a factory first becomes operative, but when the product is first to be sold on the world market.
44. Making Comparative Injury Determinations (sec. 1106(b) of Sen. Amendment)			When making a determination of injury to U.S. producers, the language in existing law has been amended to specify both the long and short term, as well as its effect on employment of an industry.
45. Definition of Substantial Injury for Export-Import Bank Determinations (sec. 1106(c) of Sen. Amendment)			The extension of any credit or guarantee by the Exim Bank will cause substantial injury if that credit or guarantee is responsible for the expansion or establishment of production in excess of 1% of U.S. production.

TIED AID CREDIT PROGRAMS

Item	Present Law	House Bill	Senate Amendment
46. Competitive Trading Practices (Title IV, Subtitle C of House bill; Title XVIII of Sen. Amendment)		Competitive Trading Practices	Trade Enhancement
47. Amendments to Trade & Development Enhancement Act of 1983 (sec. 451(a) of House bill; sec. 1805 of Sen. Amendment Note: Sen. section 1805 also included in subconference #4)	Amends section 646(a)(2) of the Trade and Development Enhancement Act of 1983 (12 U.S.C.635s(a)(2)), which states that no financing may be approved under the tied aid credit programs without the unanimous financing maybe approved under the tied aid credit programs without the unanimous consent of the members of the National Advisory Council on International Monetary and Financial Policies (NAC).	Amends unanimous consent requirement by inserting language requiring only a majority consensus for approval of financing.	Strikes out subsection (a)(2) and inserts language specifying that no financing by the Export-Import Bank (Exim) may be approved under the tied aid credit program without the unanimous consent of the NAC. It further amends the section by including language stating that no financing by the Agency for International Development (AID) may be approved under the tied aid credit program without the consent of a majority of NAC. It further states that a representative of the Trade and Development Program (TDP) shall attend meetings of the NAC to discuss tied aid credit matters and shall have the right to vote on any decisions relating to tied aid.

Item	Present Law	House Bill	Senate Amendment
48. Transition Provisions (sec. 1805(d) of Sen. Amendment)	None	No provision	Requires the Administrator of AID to make available to the Director of the TDP all documents or information, determinations, regulations, and contracts still in effect in connection with their shared functions. It is asserted that the amendments made by subsection(a)are not intended to affect any of the proceedings or applications pending, orders issued, appeals taken therefrom and payments made.
49. Report to Congress and Termination of Act (sec. 451(b) of House bill)	Amends Trade and Development Enhancement Act of 1983 (12USC 635s) by adding 2 new sections (648 & 649).	Section 648 (Report to Congress) requires the President to issue a semiannual report to the Congress on activities carried out under sections 644 and 645 (tied aid programs) of the Trade and Development Enhancement Act of 1983 (12 USC 635s). Each such report is to include information on applications for assistance used by Exim and AID, the disposition of such applications, and identification of the foreign governments whose behavior the President is trying to influence by the use of tied aid and why such assistance is likely to influence their behavior; evidence that such assistance has been used for purposes of the Act; information on any progress made within the Organization for Cooperation and Development (OECD) to limit the use of tied aid credits; information on the extent of the use of tied aid in OECD countries and in what markets they are being used; the extent to which this Act has been effective in discouraging the use of tied aid & in protecting U.S. exporters from unfair and predacious official export competition.	No provision

Item	Present Law	House Bill	Senate Amendment
49. Report to Congress continued.		Section 649 (Termination of Authorities) sunsets the provisions of this Act at the end of the 90 day period beginning on the date the President transmits to Congress his certification that a majority of the members of NAC have determined that the U.S. has reached an agreement with the governments of the OECD countries ending the abuse of tied aid credits, and that those governments are honoring the terms of that agreement.	
50. Funding by the AID (sec. 451(c) of House bill)	Amends section 645(d) of the Trade and Development Enhancement Act of 1983 (12 USC 635r(d)) which allows the Administrator of AID to draw on Economic Support Funds (ESF) allocated for Commodity Import Programs to finance tied aid credit activities.	Strikes out "Allocated for Commodity Import Programs."	No provision
51. Provisions relating to Exim Bank (sec. 452(a) of House bill)	None	The Congress finds that the debt position of developing countries has seriously limited their ability to import;commercial bank withdrawal from export financing has shut out U.S. exporters; U.S. exporters require financing in riskier markets and on smaller more difficult transactions; It is important for Exim to increase its ability to assume a broader range of explicitly defined country and transaction risks and to encourage the private sector to participate, while maintaining its ability to operate efficiently and in a fiscally responsible manner.	No provision
52. Purpose (sec. 452(b) of House bill) provision.		Requires Exim to identify any (sec. 452(b) policy and financing programs that would facilitate additional financing of U.S. exports to debt burdened developing countries as part of an overall debt management strategy.	No provision

Item	Present Law	House Bill	Senate Amendment
53. Report Required (sec. 452(c) of House bill)	None	Requires the President of Exim to submit a report to the House and Senate Banking Committees before the end of the 90 day period beginning on the date of enactment of this Act. The report shall contain an assessment of the effectiveness of recent program changes in increasing U.S. exports to developing countries; an identification of additional policy and program changes that would enable the Bank to increase financing of U.S. exports to developing countries and encourage greater private sector participation in this effort; an assessment of the viability and costs of such programs. The report shall specifically assess the viability of: setting up a separate class of programs through which debt burdened countries or exports to them would receive preference; introducing less stringent repayment standards; expanding Exim's guarantee authority to allow it to assume part of the exposure of commercial banks to debtor countries.	No provision.

EXPORT TRADING COMPANY ACT AMENDMENTS

ITEM	CURRENT LAW	HOUSE BILL	SENATE BILL
54. Short Title (Sec. 476 of House bill)	Title II of the Export Trading Company Act (amends the Bank Holding Company Act)	Short Title: "Export Trading Company Amendments of 1987"	No Senate provision
55. Determination as an Export Trading Company (Sec. 477(a) of House bill, Sec. 1101 of Sen. amendment)	Defines an "Export Trading Co." as a company that is operating principally 1) to export U.S.-produced goods or services or 2) to facilitate the export of U.S.-produced goods or services of unaffiliated persons by providing "export trade services." (Note: Current Federal Reserve Board regulations define "principally" to mean that more than 50% of an ETC's revenue must be derived from exporting U.S.-produced goods or from providing export trade services to facilitate the export of U.S.-produced goods.)	1) Provides that an Export Trading Co. does not have to meet the "operating principally" 50% test during the first 2 years of operation.	No similar provision
		2) Provides that the determination of "operating principally" shall be for a time period of not less than 4 years.	No similar provision
		3) Provides that not less than 4-year determination shall begin after the export trading company's first 2 years of operating and	No similar provision
		4) Provides that in determining whether an ETC obtains 50% of its revenue from export income, i.e., income derived from the export of U.S.-produced goods or facilitating the exporting of U.S.-produced goods or services, the Federal Reserve Board shall include as export income fees obtained from facilitating trade between other nations. However, no more than 1/2 of an ETC's export income may be from facilitating such trade between other nations.	Provides than an export trading company must obtain more revenue from exporting U.S.-produced goods or services or from facilitating the export of U.S.-produced goods and services by providing export trade services than the company obtains from importing goods into the U.S. Further provides that the ETC must obtain at least 1/3 of its revenues from exporting U.S. goods or services or from providing export trade services.

ITEM	CURRENT LAW	HOUSE BILL	SENATE BILL
	An export trading company must operate principally to 1) Export U.S.-produced goods or services, or 2) Facilitate the export of goods or services produced in the U.S. by unaffiliated persons by providing export trade services.	No similar provision	An export trading company must operate principally to 1) Export goods or services produced in the U.S. by the company, its affiliates or unaffiliated persons, or 2) Facilitate the export of goods or services produced in the U.S. by unaffiliated persons by providing export trade services.
56. Prohibition on Securities & Insurance Activities (Sec. 1101 of Sen. amendment)	An export trading company may engage in underwriting, selling or distributing securities in the U.S. only to the extent that its bank holding company may do so.	No similar provision	Clarifies that an export trading company may not own or acquire an interest in a domestic export trading company that engages in securities or insurance activities, except as may be included in the definition of export trade services in the ETC Act.
57. Leverage (Sec. 477(b) of House bill, Sec. 1102 of Sen. amendment)	No specific provision on leverage, but Federal Reserve Board may disapprove an investment if it threatens the safety or soundness of a bank.	Prohibits the Federal Reserve Board from disapproving a bank holding company's investment in an export trading company solely because the proposed leverage ratio is greater than 15:1.	Prohibits the Federal Reserve Board from disapproving a bank holding company's investment in an export trading company solely because the proposed leverage ratio is greater than 20:1.
58. Inventory (Sec. 477(c) of House bill, Sec. 1103 of Sen. amendment)	No specific provision on inventory, but the Federal Reserve may disapprove an investment if it threatens the safety or soundness of a bank.	Prohibits the Federal Reserve Board from issuing a regulation which places a dollar amount limitation on the inventory an export trading company may hold.	Identical provision.

ITEM	CURRENT LAW	HOUSE BILL	SENATE BILL
59. Amendments to Title III of ETC Act (Sec. 107 of Sen. amendment)			
(a) Coverage of Certificate of Review (Sec. 1107(a) and (e) of Sen. amendment)	Provides conditions under which a person may apply for a Certificate of Review.	No similar provision	Defines the class of eligible applicants and specifies that members seeking protection be specified in the application.
(b) Notice of application (Sec. 1107(b) of Sen. amendment)	Requires publication of application in Federal Register by Secretary of Commerce.		Substitutes requirement to "transmit for publication" for requirement to "publish" notice of ETC applications within ten days.
(c) Timeframe for Certificate (Sec. 1107(c) of Sen. amendment)	Establishes maximum time limit for issuance of Certificate.		Sets minimum time period of 30 days for issuance of Certificate.
(d) Standard of Review (Sec. 1107(d) of Sen. amendment)	Establishes "erroneous" standard for judicial review of decisions by Secretary.		Replaces "erroneous" standard with standard that the Secretary's determination is "arbitrary, capricious, an abuse of discretion or otherwise not in accordance with the law."
(e) Annual Report (Sec. 1107(f) of Sen. amendment)	Sets requirements for annual report by Certificate holders.		Requires that the annual report be in a form sufficient that the Secretary may "determine that the certified conduct complies with the standards" of the Act.

ITEM	CURRENT LAW	HOUSE BILL	SENATE BILL
(f) Definitions (Sec. 1107(g) of Sen. amendment)	Defines export trade		Clarifies the definition to include transactions financed or assisted by the U.S. Government.
	Defines "person" but does not define "member" seeking ETC status.		Codifies the definition of "member" that has been adopted administratively by the Departments of Commerce and Justice, in lieu of a definition of "person" that is deleted above.

ITEM	CURRENT LAW	HOUSE BILL	SENATE BILL
		Permits the Federal Reserve Board to limit the dollar amount of inventory held by a specific export trading company, if the inventory level threatens the safety or soundness of a bank.	Identical provision
		MISCELLANEOUS PROVISIONS	
60. Effectuating National Treatment for Banks (Sec. 1501 of Sen. amendment)	No provision	No provision	Permits any Federal banking agency, with prior approval by the President, to deny any application or disapprove any notice filed by a foreign bank or bank holding company if the foreign country, the bank, or BHC does not accord to U.S. banks and BHCs the the same competitive opportunities accorded to its domestic banks and BHCs, i.e., national treatment.
61. National Treatment in Underwriting Government Debt Instruments (Sec. 428 of House bill, Sec. 1502 of Sen. amendment)			

ITEM	CURRENT LAW	HOUSE BILL	SENATE BILL
a. Findings		No provision	a) This subsection makes findings relating to the discrimination of Japanese government debt instruments.
b. Basic Rule governing designation as a U.S. Government debt instrument	The Federal Reserve Bank of New York presently has discretionary power to designate primary dealers through its authority under the Federal Reserve Act.	Prohibits a designation of any person from another country if that country does not allow or ceases to allow U.S. companies "equal access" in the acquisition of government debt securities. Equal access is defined as: 1) The ability of U.S. companies to gain access to government debt instruments upon original issue; and 2) Allowing U.S. companies to act in a capacity in that foreign country which is substantially equivalent to company which designated as a primary dealer in government debt instruments in the U.S.	Prohibits new or continued designation of any person from a foreign country if that foreign country does not give U.S. companies the same opportunity to underwrite and deal in its debt as it gives its domestic companies to underwrite and deal in its debt.
c. Limited Exemption		No similar provision	Designated primary dealers acquired by a foreign person prior to 1/1/87 are exempted from this provision.
d. Exceptions for countries negotiating bilateral agreements with U.S.		No similar provision	Exempted from the basic rule requiring national treatment is any person of a foreign country whose country: 1) As of 1/1/87 was negotiating a bilateral agreement with the U.S. authority

ITEM	CURRENT LAW	HOUSE BILL	SENATE BILL
			of Sec. 102(b)(4)(A) of Trade Act of 1974; or 2) Has a bilateral free trade area agreement with U.S. in force before 1/1/87.
e. Effective Date		Six months after enactment.	Two years after enactment.
62. Effecuating National Treatment for Brokers and Dealers (Sec. 1503 of Sen. amendment)		No similar provision	Amends the Securities Exchange Act of 1934 to allow the SEC, with prior approval of the President, to deny applications for registration under Sec. 15(b) of the Act filed by a person of a foreign country if that country does not accord U.S. brokers and dealers the same competitive opportunities accorded to its domestic counterparts.
63. Reports on Foreign Treatment of U.S. Financial Institutions (Sec. 702 of House bill, Sec. 1504 of Sen. amendment)	No provision. Under the International Banking Act of 1978, Department of Treasury was directed to make a one-time report on competitive opportunities abroad. This report was issued in 1979, and updates were provided in 1984 and 1986 in response to Congressional requests.	Requires Secretary of Commerce and Secretary of Treasury, in consultation with U.S. Trade Representative and SEC, to determine which foreign countries have financial services institutions which are providing financial services in U.S., the kind of financial services being offered, and the extent to which U.S. institutions can offer the same services in these foreign countries. A "financial services institution" is defined to include brokers, dealers,	No less than every four years, beginning 12/1/1990, the Secretary of Treasury, in conjunction with Secretary of State, the Fed, the OCC, the FDIC and the SEC shall report to Congress the extent to which foreign countries deny national treatment to U.S. banks and securities companies, and the efforts taken by U.S. to eliminate such discrimination. Focus will be on countries practicing significant denials. Progress in

ITEM	CURRENT LAW	HOUSE BILL	SENATE BILL
		underwriters, investment companies, or any depository institution, insurance company or other entity opearating as a financial service provider. Commerce and Treasury shall submit separate reports within 120 days of enactment.	discussions pursuant to Sec. 1505 shall also be described.
64. Executive Branch discussions with foreign governments on fair trade in financial services (Sec. 1505 of Sen. amendment)	No comparable provision. The International Lending Supervision Act of 1983 requires Federal banking agencies to consult with the banking supervisory authorities of other countries to reach understandings aimed at achieving the adoption of effective and consistent supervisory practices with respect to international lending. Primarily deals with capital adequacy and supervisory standards. 12 USC 3901.	No similar provision	Directs President to conduct discussions with foreign governments with major financial centers to: Ensure access by U.S. financial firms to foreign markets gain equal treatment, reduce trade barriers, and develop uniform supervisory standards. President to consult with House and Senate Committees of jurisdiction prior to entering these discussions, and to file recommendations for change with Congress, describing concomitant changes in foreign law and benefits accrued to U.S. by change. This section provides that nothing in it is to be construed as prior approval of any legislation necessary to implement any Presidential recommendations.
65. Report on Bank Loan Loss Reserves (Secs. 422, 431 & 461 of House bill, (Sec. 1506 of Senate bill)	The International Lending Supervision Act of 1983 presently requires establishment and maintenance of special reserves by banking institutions where, in the judgment of the appropriate Federal banking	Study on loan loss reserves incorporated within Sec. 431 of the House bill directing Secretary of Treasury to analyze various proposals on interna-	Federal Reserve to report by April 30, 1988 on loan loss reserve treatment (as part of primary capital for regulatory purposes) by U.S. and other

77-750 0 - 87 - 29

ITEM	CURRENT LAW	HOUSE BILL	SENATE BILL
	agency, the quality of the institution's assets has been impaired by a protracted inability to make payments on external indebtedness. Such reserves are charged against current income and are not considered part of capital and surplus or allowances for possible loan losses. 12 USC 3904.	tional debt crisis. See p.___ of this Comparative Print. Also related are Secs. 442 & 461 et seq, both of which also deal with loan loss reserves as it relates to the international debt crisis. See pp.___ of of this Comparative Print.	major industrialized countries.

SUBCONFERENCE #6
AGRICULTURAL TRADE

TABLE OF CONTENTS

		Page
1.	Sections of House Bill and Senate Amendment included in Subconference #6	339
2.	Conferees of the House and Senate and Sections for which they are appointed	340
3.	Comparison of House and Senate Provisions with Present Law	344
	A. Policy Provisions and Negotiating Objectives	344
	B. Provisions Affecting Foreign Agricultural Service	349
	C. Existing Agricultural Trade Programs	353
	D. Agricultural Aid and Trade Missions	360
	E. Public Law 480	363
	F. Section 416	367
	G. Miscellaneous Provisions Affecting Imports	370
	H. Miscellaneous Provisions Affecting Trade	373
	I. Miscellaneous Provisions--Wood Products	378
	J. Miscellaneous Provisions	380
	K. Studies and Reports	383

SECTIONS OF HOUSE BILL AND SENATE AMENDMENT INCLUDED IN SUBCONFERENCE #6 -- AGRICULTURAL TRADE

House bill

Secs. 318-320
Title VI (Secs. 601-692), except Subtitle G (Secs. 691, 692)

Senate amendment

Secs. 974-975
Title XXI (Secs. 2101-2199), except Secs. 2178-2180A; 2185-2188

CONFEREES OF THE HOUSE AND SENATE AND SECTIONS FOR WHICH THEY ARE APPOINTED

Sections	House Conferees		Senate Conferees	
Sections 318-320 of House bill	Agriculture (6-4)		Agriculture (3-2)	
	de la Garza	Roberts	Leahy	Lugar
	Brown (CA)	Morrison (WA)	Melcher	Cochran
	Panetta	Gunderson	Pryor	
	Glickman	Grandy		
	Stenholm			
	Volkmer			
	Foreign Affairs (6-4)			
	Fascell	Broomfield		
	Bonker	Roth		
	Mica	Bereuter		
	Berman	Miller (WA)		
	Gejdenson			
	Bilbray			
Sections 601-613, 621-627, 631-638, 641-649, 651-653, 661-664, 671-676, 681, 682 of House bill	Agriculture (6-4)		Agriculture (3-2)	
	de la Garza	Roberts	Leahy	Lugar
	Brown (CA)	Morrison (WA)	Melcher	Cochran
	Panetta	Gunderson	Pryor	
	Glickman	Grandy		
	Stenholm			
	Volkmer			
Sections 601-604, 608-610, 612, 621-623, 625, 631-637, 641-649, 651, 653 of House bill	Foreign Affairs (6-4)			
	Fascell	Broomfield		
	Bonker	Roth		
	Mica	Bereuter		
	Berman	Miller (WA)		
	Gejdenson			
	Bilbray			

Sections	House Conferees	Senate Conferees
Sections 605-607, 611, and 663 of House bill	Foreign Affairs (6-4)	
	Fascell Bonker Mica Berman Gejdenson Bilbray	Broomfield Roth Bereuter Miller (WA)
	Ways and Means (4-2)	
	Rostenkowski Gibbons Jenkins Matsui	Thomas (CA) Daub
Sections 613, 626, 627, 671-675, 681, 682 of House bill	Ways and Means (6-3)	
	Rostenkowski Gibbons Jenkins Pease Russo Matsui	Archer Thomas (CA) Daub
Section 664 of House bill	Foreign Affairs (3-2)	
	Bonker Mica Gejdenson	Roth Bereuter
	Banking, Finance, and Urban Affairs (3-2)	
	St Germain Fauntroy Garcia	Wylie Bereuter

Sections	House Conferees		Senate Conferees	
Sections 974, 975, and 2101, 2111-2114, 2121-2129, 2131-2139B, 2141-2147, 2151-2159, 2161-2166, 2171-2177, 2180B-2184 and 2191-2199 of Senate amendment	Agriculture (6-4)		Agriculture (3-2)	
	de la Garza	Roberts	Leahy	Lugar
	Brown (CA)	Morrison (WA)	Melcher	Cochran
	Panetta	Gunderson	Pryor	
	Glickman	Grandy		
	Stenholm			
	Volkmer			
Sections 2111, 2113, 2114, 2121-2127, 2129, 2132-2136, 2138, 2139A, 2139B, 2141-2147, 2151-2159, 2161-2166, 2180B-2182, 2184, 2192 of Senate amendment	Foreign Affairs (6-4)			
	Fascell	Broomfield		
	Bonker	Roth		
	Mica	Bereuter		
	Berman	Miller (WA)		
	Gejdenson--except sec. 2184			
	Levine--sec. 2184 only			
	Bilbray			
Sections 974, 975, 2112, 2128, 2171, 2173-2175, 2191, 2193, and 2194 of Senate amendment	Ways and Means (6-3)			
	Rostenkowski	Archer		
	Gibbons	Thomas (CA)		
	Jenkins	Daub		
	Pease			
	Russo			
	Matsui			
Sections 2113, 2114, and 2136 of Senate amendment	Ways and Means (4-2)			
	Rostenkowski	Thomas (CA)		
	Gibbons	Daub		
	Jenkins			
	Matsui			

Sections	House Conferees	Senate Conferees
Section 2131 of Senate amendment	Rules (5-2)	
	Pepper	Lott
	Moakley	Taylor
	Derrick	
	Hall (OH)	
	Wheat	

COMPARISON OF HOUSE AND SENATE PROVISIONS WITH PRESENT LAW

POLICY PROVISIONS AND NEGOTIATING OBJECTIVES

(Secs. 318, 319, 320, 601, 611, 631, 663, and 691-92 of the House bill and secs. 2101 and 2111-2114 of the Senate amendment)

Item	Present Law	House Bill	Senate Amendment
1. Short Title. [S 2101]	No comparable provision.	No comparable provision.	Title 21 of the Senate amendment may be cited as the "Agricultural Competitiveness and Trade Act of 1987". (Sec. 2101)
2. Purpose of Chapter. [HB 601]	No comparable provision.	It is the purpose of title 6, subtitle A, chapter 1 of the House bill to increase the effectiveness of USDA in agricultural trade policy formulation and implementation and in assisting US producers to participate in international trade by strengthening the operations of USDA and related entities. (Sec. 601)	No comparable provision.

Item	Present Law	House Bill	Senate Amendment
3. Findings. [HB 631; S 2111]	No comparable provision.	Contains various findings of Congress concerning agricultural trade, including the following: -US agricultural exports have declined by more than 40% since 1981; -US share of the world market for agricultural commodities has dropped by 28 percent during the last 5 years; -US incurred monthly agricultural trade deficits in 1986; -the loss of exports threatens family farms; -all agricultural trade programs of the US should be used in an expeditious manner; -greater use should be made by Secretary of Agriculture of authorities under the Food for Peace Act; and -food aid is a crucial part of overall export and agricultural policy. (Sec. 631)	Also contains similar findings of Congress concerning international trade, including the following: -agricultural exports have declined by more than 37% since 1981; -same provision; -same provision; -same provision -substantively the same; -Also contains a listing of factors causing the loss of US agricultural exports; -Substantively the same, with some differences; -Substantively similar provisions. (Sec. 2111)
4. Agricultural Trade with Countries with Large Trade Surpluses. [HB 319; S 2112]	No comparable provision.	If a country has a substantial positive trade balance with the US, the Secretary of Agriculture, in consultation with the Secretary of State, may develop an appropriate plan under which that country would purchase US agricultural commodities for use in development activities in developing countries. (Sec. 319)	In multilateral trade negotiations concerning the agricultural provisions of the GATT and other trade negotiations, it is a primary negotiating objective of the US to seek the elimination of barriers to agricultural trade maintained by nations that have unusually large trade surpluses with the United States. (Sec. 2112)
5. Elimination of Barriers to Agricultural Trade. [S 2113]	No comparable provision.	No comparable provision.	It is the policy of the US to seek the elimination of barriers to agricultural trade and an end to extensive protection of domestic markets by all foreign governments and organizations. (Sec. 2113)

Item	Present Law	House Bill	Senate Amendment
6. Agricultural Trade Policy. [HB 318(a) & (d)]	Food Security Act of 1985 contains a statement regarding agricultural trade policy.	Policy to provide agricultural commodities for export at competitive prices; support the principle of free and fair trade in agricultural commodities; to support negotiating objectives set forth at sec. 111(b) of the House bill; to fully utilize existing authority to combat unfair trading practices; and to provide for increased representation of US agricultural trade interests in the formulation of national fiscal and monetary policy affecting trade. In order to provide enhanced trade policy and international economic information, Secretary of Agriculture is authorized to expand the number of agricultural counselors, attaches, assistant attaches and other diplomatic representatives of USDA. (Sec. 318(a) & (d)) [Remainder of sec. 318 discussed in items 47, 49, and 78]	No comparable provision. [But note, subconference #1 will confer on sec. 601 of Senate amendment relating to multilateral trade negotiations on agriculture issues]
7. International Efforts to Reduce Grain Production. [HB 663]	No comparable provision.	Secretary of Agriculture, in coordination with the USTR shall initiate discussions with major grain-producing countries to reduce grain production multilaterally and shall report to Congress on the progress of these discussions not later than March 1, 1988. (Sec. 663)	No provision in agricultural titles of the bill. [But note, subconference #4 will confer on sec. 2007 of the Senate amendment concerning the negotiation of an international agricultural conservation reserve agreement which includes language with respect to negotiations to reduce grain supplies]

Item	Present Law	House Bill	Senate Amendment
8. Trade With Japan. [HB 626; S 975 and 2114]	No comparable provision.	Contains findings concerning trade imbalance with Japan and barriers to beef imports imposed by Japan. Sense of Congress that USTR should enter into negotiations to gain greater access for US beef to Japanese market; negotiations should also address high Japanese tariff, practices of Japanese Livestock Industry Promotion Corporation. If there is no meaningful liberalization by Japan by March 31, 1988, all appropriate means should be used to encourage Japan to open its markets. (Sec. 626)	Contains similar findings concerning trade barriers imposed by Japan on imports of US beef and provides that it is the Sense of Congress that the US should press Japan to remove all trade barriers that restrict US beef exports by March 31, 1988. (Sec. 975) Contains findings concerning trade imbalance with Japan. Sense of Congress that Japan should liberalize its trade policies by lowering high tariffs and removing quotas on competitive agricultural exports of the US. (Sec. 2114)
9. Korea's Beef Market. [HB 627; S 974]	No comparable provision.	Sense of Congress: Korea maintains unreasonable barriers to imports of beef and unreasonably high tariff on meat products. If trade barriers were removed, US could supply significant portion of Korean beef market, and US cattle raising hasn't been profitable since 1980. Korea should permit access to its markets by US beef producers; USTR should negotiate greater access and reduction of tariffs; and if Korea does not liberalize its markets, US should take all appropriate countermeasures. (Sec. 627)	Substantially similar provision, except that Senate provision does not threaten retaliation and does not contain a finding that the US beef industry has not been profitable since 1980. (Sec. 974)
10. Food Aid and Market Development. [HB 320]	No comparable provision.	Policy of the US to use food aid more effectively to develop markets for US agricultural commodities. President shall encourage recipients of food aid to agree to give preference to US food and food products in its future food purchases. (Sec. 320)	No comparable provision.

Item	Present Law	House Bill	Senate Amendment
11. Technical Assistance in Trade Negotiations. [HB 611]	No comparable provision.	Secretary of Agriculture shall provide technical services to the USTR on matters pertaining to agricultural trade and with respect to international negotiations on issues related to agricultural trade. (Sec. 611)	No comparable provision.

77-750 O - 87 - 30

Item	Present Law	House Bill	Senate Amendment
12. Definitions. [S 2121]	No comparable provision.	No comparable provision.	The terms "Administrator", "Secretary", and "Service" are defined as the Administrator of the Foreign Agricultural Service, the Secretary of Agriculture, and the Foreign Agricultural Service, respectively. (Sec. 2121)
13. Reorganization Evaluation. [HB 602; S 2125]	No comparable provision.	Secretary of Agriculture shall evaluate proposals proposed by the National Commission on Agricultural Trade and Export Policy and others to improve current management of international and trade activities of USDA. The Secretary shall appoint a 4 member private sector advisory committee to assist in this evaluation. Report to be submitted to Congress by April 30, 1988. (Sec. 602)	Substantively the same. Some technical differences. (Sec. 2125)

Item	Present Law	House Bill	Senate Amendment
14. Authorization of Additional Appropriations. [HB 603; S 2126]	For FY 1987, FAS is appropriated $81,109,000 for necessary expenses, including carrying title VI of the Agricultural Act of 1954, market development activities abroad, and coordination and integration activities of USDA in connection with foreign agricultural work, including no more than $110,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956. Not more than $255,000 of this appropriation to be available to obtain statistics and related facts on foreign production. (100 Stat. 3341-24)	Additional appropriations for FAS equal to $22,500,000 for FY87; $27,500,000 for FY88; $32,500,000 for FY89; and $32,500,000 for FY90. Of these amounts, --in each FY $4,500,000 to be used for expansion of the attache service; --in each FY $1,000,000 to be for expansion of international trade policy activities of FAS; --in each FY $2,000,000 for enhancement of FAS worldwide market information system; and --for expanded market development, $15,000,000 in FY87, $20,000,000 in FY88, $25,000,000 in FY89 and '90. (Sec. 603)	Additional appropriations for FAS equal to $15,200,000 for FY87 and '88 and $17,200,000 for FY89 and '90. Of these amounts, --in each FY $3,500,000 for program management and support activities, including expansion of attache service and programs under Agricultural Trade Development and Assistance Act of 1954, sec. 416 of Agricultural Act of 1949; and title XI of the Food Security Act of 1985; --in each FY $4,000,000 for creation of new markets for US ag commodities and products in developing countries and maintaining adequate staff for the development of markets for high value-added products and improvement of quality of ag commodities exported abroad; --in FY87 and '88, $2,700,000 and in FY89 and '90, $4,700,000 for conduct of trade shows and exhibitions; and --in each FY, $5,000,000 for other foreign market development activities. (Sec. 2126)
15. Trade Shows and Exhibitions. [S 2127]	Trade shows are carried out under general market development authority, including that provided by the Agricultural Trade Development and Assistance Act of 1954.	No comparable provisions.	In expending the funds made available under sec. 2126(3), Administrator shall increase number of trade shows, target trade shows to developing markets, provide more variety in trade shows, and upgrade the quality of the trade shows. (Sec. 2127)

Item	Present Law	House Bill	Senate Amendment
16. Personnel of FAS. [HB 318(e), 604; S 2123(a)]	Personnel levels generally governed by the amount of appropriations available for staff positions.	Senior FAS Officer assigned to any US mission abroad shall, upon request of Secretary of Agriculture, be given diplomatic title of Minister-Counselor. (Sec. 318 (e)) Authorized number of personnel for FAS shall not be less than 900 full-time employees during FY87 through '90. Sense of Congress that this level of personnel will permit FAS to effectively carry out current program and support activities and provide resources for other activities of FAS as authorized in title 6. (Sec. 604)	No comparable provision. Authorized number of FAS personnel shall not be less than 850 full-time employees during FY87 through '89. Sense of Congress that this personnel level should permit employees of FAS to devote greater time to developing markets for US ag commodities and products. (Sec. 2123(a)).
17. Attache Educational Programs. [S 2123(b)]	No comparable provisions.	No comparable provisions.	Establishes two educational programs involving agricultural attaches: (1) Attaches reassigned to US to visit and consult with producers and exporters of ag commodities throughout US concerning methods to increase exports; (2) Attaches and FAS officers to exchange market development and export promotion information with at least 30 representatives of cooperator organizations, State ag officials, and other interested parties.(Sec. 2123(b))
18. Attache Personnel Resource Time. [S 2123(c)]	No comparable provisions.	No comparable provisions.	Administrator of FAS to ensure that maximum percentage practicable of personnel resource time of attaches be devoted to activities designed to increase markets for US ag commodities. Report to be submitted to House and Senate Ag Committees by Sept. 30, 1988 and 1989 that describes the allocation of personnel resource time of attaches during 1988 and 1989. (Sec. 2123(c))

Item	Present Law	House Bill	Senate Amendment
19. Private Sector Program. [S 2123(d)]	No comparable provisions.	No comparable provisions.	Within 120 days, Administrator of FAS may establish a program whereby FAS may temporarily hire private sector experts on ag trade and whereby FAS employees may temporarily work in private sector to develop market development expertise. Program shall be implemented in accordance with laws governing conflicts of interest. (Sec. 2123(d))
20. Contracting Authority to Expand Agricultural Exports Markets. [HB 608; S 2124]	No comparable provisions.	Authorizes Secretary of Agriculture to contract with individuals for personal services to be performed outside the US. Such individuals shall not be employees of the US. (Sec. 608)	Similar provision, except the services are not limited to "personal services". Some technical differences. (Sec. 2124)
21. Value-added Beef, Pork, and Poultry Products. [S 2129]	No comparable provisions.	No comparable provisions.	In carrying out FAS programs, Administrator shall emphasize to maximum extent practicable development of markets for value-added beef, pork, and poultry products to promote goal of assuring that US share of world export market for such products is as great as US share of total world production for such products. Annual report describing progress made in achieving this goal to be submitted to House and Senate Agriculture Committees. (Sec. 2129)

EXISTING AGRICULTURAL TRADE PROGRAMS

(Secs. 609, 622, 624-25, 649, and 681 of the House bill and secs. 2122, 2131-35, and 2139-2139B of the Senate amendment)

Item	Present Law	House Bill	Senate Amendment
22. **Cooperator Organizations.** [HB 609(a) & (b); S 2122]	Sec. 1126 of the Food Security Act of 1985 simply provides that it is the sense of Congress that the cooperator program should be continued to help develop new markets and expand and maintain existing markets. Funds have been made available to cooperator groups through the Targeted Export Assistance (TEA) program. (Sec. 1124 of the FSA of 1985)	Sense of Congress that cooperator program has been successful. Congress reaffirms its support for the program. Administrator of FAS and private sector should work together to ensure expansion of this program. Secretary of Agriculture may make agricultural commodities available to cooperator organizations for their use in projects designed to expand markets for US agricultural commodities. Any such commodities made available shall be in addition to funds appropriated for market development activities of such cooperator organizations. (Sec. 609(a) and (b))	No comparable provision. Similar provision but there are some technical differences. Cooperator organization shall use any commodities provided by the CCC to establish "demonstration projects" designed to expand markets for US ag exports. (Sec. 2122)

Item	Present Law	House Bill	Senate Amendment
23. Targeted Export Assistance. [HR 609(c); S 2133]	The Secretary of Agriculture is required to use not less than $110,000,000 of funds of, or commodities owned by the CCC in FY 1986 through 1988, and not less than $325,000,000 of funds of, or commodities owned by, CCC in FY 1989 and 1990. (Sec. 5 of the Food Security Improvements Act of 1986)	No provision affecting funding.	Increases the level of TEA funding for FY 1988 to $215,000,000. However, the Secretary is required to use commodities or funds of the CCC in excess of $110,000,000 only to the extent that appropriations are made available in advance. (Sec. 2133(a))
		Secretary of Agriculture shall use funds or commodities (no more than $500,000 per case) made available for use under TEA program to reimburse organizations consisting of producers or processors of US ag commodities for reasonable expenses incurred by them in defending countervailing duty actions instituted against the applicable US commodity after Jan. 1, 1986. (Sec. 609(c))	Similar provision except that the Secretary is given discretion in determining whether to expend TEA funds for this purpose. If Secretary decides not to assist a particular commodity organization, the Secretary shall notify the House and Senate Agriculture Committees of the reasons for so deciding. (Sec. 2133(b))
24. Export Credit Guarantee Program. [S 2134]	The export credit guarantee programs conducted by USDA are conducted under general authority found in the CCC Charter Act. The programs have been affected by specific statute at various times. Sec. 1125 of the Food Security Act of 1985 established a minimum level of availability of short term credit guarantees with respect to each of the 1986 through 1990 fiscal years. Current law is silent on the method of allocation of available credit guarantees.	No comparable provision.	Sense of Congress that CCC make short term credit guarantees available to countries without placing a ceiling on the amount of such credit guarantees that may be used for exports of a particular commodity to a specific country. (Sec. 2134)

Item	Present Law	House Bill	Senate Amendment
25. Eligibility of Certain Agricultural Commodities for Export Credit Guarantee Programs. [S 2138]	No statutory restrictions governing the percentage of domestically produced agricultural commodity that must be contained in an exported article that is being sold through the use of an export credit guarantee. However, in its program announcements USDA has restricted the use of export credit guarantees to exports containing 100% US product.	No comparable provision.	Export sales of agricultural commodities produced in the US shall be eligible for short or intermediate term export credit guarantees made available by the CCC if at least 75% of the cost of the agricultural commodities used to produce the exported article is derived from ag commodities produced in the US. Such credit guarantee may not cover any portion of the exported article that was not derived from US produced commodities. (Sec. 2138)

Item	Present Law	House Bill	Senate Amendment
26. **Agricultural Export Enhancement Program.** [HB 622; S 2135]	The Export Enhancement Program (EEP) is provided for in sec. 1127 of the Food Security Act of 1985.		
	Secretary of Agriculture may provide bonus commodities to make US exports more competitive and shall provide bonus commodities to the extent necessary to counter the adverse effect on the export of US ag commodities of a subsidy or other unfair trade practice. In carrying out this program, the Secretary shall- Consider for participation all foreign purchasers, with priority to those who have traditionally purchased from the US and who continue to purchase US ag commodities on an annual basis in quantities greater than the level of purchases in a previous representative period. Encourage increased use and avoid displacing usual marketings of US ag commodities.	Adds another paragraph that provides the Secretary the discretion to give priority to foreign purchasers who have traditionally purchased US ag commodities from the US and who continue to purchases US ag commodities on an annual basis in quantities equal to the level of purchases in a previous representative period.	Clarifies the manner in which EEP is to be implemented to ensure that when US exports are injured by unfair trading practices, such as subsidies, the Secretary of Agriculture must make EEP available for exports of wheat and feed grains (and other commodities upon their petition) to all interested US exporters, users, processors, or foreign purchasers in sufficient quantities to make the commodities competitive and offset the adverse impact of the unfair trading practices and in such a way that minimizes potential market displacement. The Secretary is to give priority to sales to countries that traditionally import ag commodities from the US and that continue or begin to import such commodities on an annual basis in quantities equal to or greater than the level of imports in a previous year.
	During the period Oct. 1, 1985 through Sept. 30, 1988, Secretary shall use ag commodities to carry out EEP in an amount not less than $1,000,000,000 nor more than $1,500,000,000.	Mandated funding for EEP is extended through 1990, a floor of $1 billion and a ceiling on expenditures of $2.5 billion. Commodities disbursed under EEP shall be determined by using the market value of such commodities or products at the time of distribution. (Sec. 622)	Mandatory funding extended to 1990 as follows: For the FYs 1986 through 1988, not less than $1,000,000,000; For FYs 1989 through 1990, not less than $500,000,000; and For the entire 5 year period, not more than $2,500,000,000. (Sec. 2135)

Item	Present Law	House Bill	Senate Amendment
27. Triggered Marketing Loan. [S 2131]	The Food Security Act of 1985 provides the Secretary of Agriculture with discretionary authority to implement a marketing loan program for each of the 1986 through 1990 crops of wheat, feed grains, and soybeans. To date, the Secretary has not exercised this discretionary authority. Under the terms of a marketing loan program, a producer of the particular commodity may repay a price support loan obtained from the CCC at a level that is lower than the original loan. The lower level is usually based upon a determined world price for the commodity.	No comparable provision.	Requires the Secretary of Agriculture to implement a marketing loan program for the 1990 crop of wheat, feed grains, and soybeans if, prior to the beginning of the 1990 marketing year for wheat, a bill has not been enacted that implements a trade agreement under the GATT concerning trade in agricultural commodities. The President may waive the implementation of the mandatory marketing loan program if the President certifies to Congress that (1) significant progress has been made toward reaching a trade agreement that implements the objectives set forth in the Act; and (2) implementation of the marketing loan would be harmful to achieving the trade agreement. The President's waiver shall not apply if a joint resolution disapproving of the waiver is enacted. Such joint resolution shall have special procedures that provide for expedited consideration of the question. (Sec. 2131) {Sec. 2172 of the Senate amendment provides for a mandatory loan program for sunflowers and cottonseed if this triggered marketing loan goes into effect.}
28. Authority of Banks for Cooperatives to Finance Certain Export Activities of Cooperatives. [HB 624; S 2137]	Authority of the banks for cooperatives to finance certain domestic or foreign entities in connection with the import or export activities of cooperatives which are borrowers from the banks for cooperatives will expire on Sept. 30, 1990. (12 U.S.C. 2208)	Removes the sunset provision on this financing authority. (Sec. 624)	Substantively the same but there are technical differences. (Sec. 2137)

Item	Present Law	House Bill	Senate Amendment
29. Export Sales of Government Stocks at Subsidized Prices. [HB 625]	Current law provides for a discretionary "standby export subsidy program" designed to discourage foreign countries and instrumentalities from using export subsidies.	Amends the special standby export subsidy program to provide that notwithstanding any other provision of law, the Secretary of Agriculture shall take all feasible steps to cause the export, at competitive world prices, of corn, cotton, peanuts, rice, tobacco, and wheat produced in the US. In order to achieve this goal, the Secretary may subsidize the price of any commodity that the Secretary may acquire or has acquired under any price support operations. The subsidy so provided shall not exceed the sum of (1) the cost to the Government of acquiring but not selling a commodity and (2) the increase in tax revenues to the US arising from the growth in the GNP that would result from the export sale of such commodity. (Sec. 625)	No comparable provision.
30. Amendment to Section 22 of the Agricultural Adjustment Act With Respect to Tobacco. [HB 681]	Sec. 22 provides that quotas or fees may be imposed on imports of agricultural commodities if, after investigation and report, it is determined that there is reason to believe that such commodity is being imported under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with any price support program undertaken by the USDA or the CCC.	Amends sec. 22 to provide that producer assessments levied under the tobacco price support program shall be taken into account in a sec. 22 investigation as if the assessments were direct costs to the Federal Government. (Sec. 681)	No comparable provision.

Item	Present Law	House Bill	Senate Amendment
31. Uniform Treatment of Commodities Under Agricultural Export Programs. [S 2139]	No specific provision.	No comparable provision.	Provides that any loss that is sustained by the association that provides price support to tobacco producers as the result of the export, pursuant to an export promotion program carried out by the Secretary of Agriculture or the CCC, of tobacco that has been pledged as collateral for such loans shall not be taken into account in determining assessments and contributions, as the case may be, to be levied against tobacco producers. (Sec. 2139)
32. Dairy Export Incentive Program. [S 2139B]	A program to make payments available on a bid basis to entities that export US dairy products. Provides that if payments in commodities are authorized under the program, such payments may be made through the issuance of certificates redeemable in commodities. If payments are made in dairy products, the Secretary shall ensure that such dairy products are sold for export by the entity and that such export sale will not displace usual US exports.	No comparable provision.	Provides that if payments in commodities are authorized, such payments shall be made in generic certificates redeemable in commodities. If such generic certificates are exchanged for dairy products, the Secretary shall ensure that such dairy products are sold for export and that such sales does not displace usual US export sales of dairy products. (Sec. 2139B)

AGRICULTURAL AID AND TRADE MISSIONS

(Secs. 632-638 of the House Bill and secs. 2141-2147 of the Senate Amendment)

Item	Present Law	House Bill	Senate Amendment
33. Definitions. [HB 632; S 2141]	There is no statute dealing specifically with Agricultural Aid and Trade Missions.	Missions and US aid and trade programs. (Sec. 632)	Substantively the same, except that food for progress program is specifically listed as a US aid & trade program. (Sec. 2141)
34. Establishment of Missions. [HB 633(a); S 2142(a)]	No comparable provision.	Secretaries of Agriculture and State Departments and AID Administrator jointly establish missions. (Sec. 633(a))	Under the direction of the Secretary of Agriculture, the Secretaries of Agriculture and State, the AID Administrator and the President of OPIC establish missions. (Sec. 2142(a))
35. Composition of Missions. [HB 633(b); S 2142(b)]	No comparable provision.	Composed of knowledgeable US Government and private organization officials. (Sec. 633(b))	Same provisions, except that OPIC and tax-exempt nonprofit agribusiness organizations are added as eligible members. (Sec. 2142(b))
36. Terms and Compensation of Members. [HB 633(c) & (d); S 2142(c) & (d)]	No comparable provision.	Mission terminates upon submission of report. Mission members who are not US Government employees serve without compensation except for travel expenses. (Sec. 633(c) and (d))	Same provisions. (Sec. 2142(c) and (d))
37. Time limits for completion of missions, required number of missions, and additional missions. [HB 634(a) & (b); S 2143(b) & (c)]	No comparable provision.	Initial missions shall be completed in 7 countries within 6 months of enactment and in 8 additional countries within 1 year of enactment. Additional missions may be established after completion of the first 15. (Sec. 634(a) and (b))	Same as House bill, except that it provides for 8 initial missions for a total of 16 missions. (Sec. 2143 (b) and (c))

Item	Present Law	House Bill	Senate Amendment
38. Selection of countries: criteria. [HB 634(c); S 2143(a) & (d)	No comparable provision.	The Secretary of Agriculture and the AID Administrator jointly select countries to which missions will be sent. Countries eligible for selection are those: (1) with a range of income levels from low to middle income; (2) eligible for one or more US agricultural aid trade programs; (3) in which the operation of these programs would be mutually advantageous for economic development and increased trade opportunities; and (4) which are friendly to the US. (Sec.634(c))	The Secretary of Agriculture selects the countries. Specific provision is made for eligibility of Poland, and other countries selected would be those: (1) eligible for US programs if such programs are mutually advantageous; (2) in various stages of development and income levels; and (3) friendly to the US. The Secretary shall consider past participation in US food programs, experience with US agricultural aid and trade programs, and import market potential. (Sec. 2143 (a) and (d))
39. Functions of members. [HB 635; S 2144]	No comparable provision.	Members are to meet with U.S. and foreign government officials, commodity boards, private entrepreneurs, cooperatives, and private and voluntary organizations. They are to provide expertise on U.S. aid and trade programs and agricultural commodities and products and assist in obtaining firm commitments for food aid program proposals and commodity sales agreements. (Sec. 635)	Same as House bill, with addition of international organizations as one of the types of organizations to be consulted by a mission. (Sec. 2144)
40. Mission reports. [HB 636; S 2145]	No comparable provision.	Prescribes that missions report to the President, House and Senate Committees on Agriculture, the House Committee on Foreign Affairs, Secretary of Agriculture, Secretary of State, and AID Administrator on findings and recommendations. (Sec. 636)	Same as House bill, with addition of Senate Committee on Foreign Relations and the President of OPIC as recipients of the report. (Sec. 2145)

Item	Present Law	House Bill	Senate Amendment
41. Progress reports. [HB 637; S 2146]	No comparable provision.	Prescribes progress reports to be submitted periodically by the Administration to the House and Senate Agriculture Committees and the Foreign Affairs Committee of the House, covering recommendations of the missions. (Sec. 637)	Same as House bill, with addition of Senate Committee on Foreign Relations as a recipient of the reports. (Sec. 2146)
42. Use of CCC. [HB 638; S 2147]	No comparable provision.	Prescribes that the facilities, services, authorities and funds, of the Commodity Credit Corporation shall be used to carry out the provisions regarding aid and trade missions. (Sec. 638)	Within funds made available to CCC, the Secretary of Agriculture shall use the facilities, services, authorities, and funds of the CCC to carry out aid and trade missions. (Sec. 2147)

PUBLIC LAW 480
(Secs. 318(b), 641 and 642 OF House Bill and
Secs. 2151-2159 OF THE Senate Amendment)

Item	Present Law	House Bill	Senate Amendment
43. Requirement for Section 108 uses. [S 2151]	Sec. 101 of the Agricultural Trade Development and Assistance Act of 1954, as amended (PL 480), requires that for FY86-90 10% annually of the aggregate of all sales under PL 480, Title I, must be used for promotion of the private sector under Sec. 108 of PL 480, unless the President determines there would be a significant reduction in Title I commodities furnished.	No comparable provision.	Requires that for FY88-90 each agreement under PL 480 Title I shall provide for some sale for foreign currencies under Sec. 108 except for agreements with a country the President determines is incapable of participating in Sec. 108. (Sec. 2151)
44. Incentive to use Sec. 108. [S 2152]	No comparable provision.	No comparable provision.	In implementing Title I of PL 480 favorable consideration shall be given to countries promoting the private sector through Sec. 108. (Sec. 2152)
45. Self-help measures. [S 2153]	Sec. 109(a) of PL 480 requires the President, prior to signing a Title I sales agreement, to consider the extent to which the recipient country is undertaking a number of listed self-help measures.	No comparable provision.	Adds "promoting the conservation and study of biological diversity" as a self-help measure. (Sec. 2153)
46. Cooperatives. [S 2154]	Sec. 202(a) of PL 480 requires the President, in providing Title II commodities to developing countries, to utilize, to the maximum extent practicable, nonprofit voluntary agencies.	No comparable provision.	Adds cooperatives to nonprofit voluntary agencies. (Sec. 2154)

Item	Present Law	House Bill	Senate Amendment
47. Non-emergency programs under PL 480 Title II. [HB 318(b)(3); S 2155]	Sec. 206 of PL 480 provides that, except to meet famine or other extraordinary relief requirements, no Title II assistance shall be furnished involving generation of foreign currency proceeds ("monetization") unless the specific uses to which foreign currencies are to be put are set forth in a written agreement between the U.S. and the recipient country.	Clarifies that an agreement with a host country is not needed as a prerequisite to implementing private and voluntary agency and cooperative projects using local currencies from full or partial sales of Title II commodities. (Sec. 318(b)(3))	Same as House bill (Sec. 2155)
48. Reports on Sales, Barter and Use of Foreign Currency Proceeds. [HB 641; S 2156]	Sec. 206 of PL 480, requires information on currencies used in connection with that section to be included in reports to Congress.	Conforms the reporting requirements in PL 480, Title II, on sales and barter and use of foreign currency proceeds with the reporting requirements of Sec. 416(b)(9)(B) of the Agricultural Act of 1949. (Sec. 641)	Substantively the same as the House bill. (Sec. 2156)
49. Uses of foreign currencies under Title II. [HB 318(b)(4); S 2157]			
a. Cooperatives	Sec. 202 of PL 480 authorizes the President to furnish Title II commodities through such agencies, private or public, as he deems appropriate. Sec. 207 refers to "a nonprofit voluntary agency" requesting assistance under Title II, using foreign currency proceeds ("monetization").	Clarifies that cooperatives are eligible to implement activities funded by monetization under Title II. (Sec. 318 (b)(4))	Same as House bill. (Sec. 2157)

Item	Present Law	House Bill	Senate Amendment
b. Permissible monetization activities.	No comparable provision.	Clarifies that nonprofit voluntary agencies and cooperatives may implement a full range of developmental activities funded by the sale of local currencies under Title II. (Sec. 318 (b)(4))	Clarifies that local currencies shall be used for a full range of developmental activities. (Sec. 2157)
c. Floor on monetization.	PL 480 Sec. 207(b) requires that five percent of the aggregate value of commodities distributed under Title II be used for sales for foreign currencies.	Increases the amount of commodities required to be used for sales for foreign commodities to 10% of the aggregate value of commodities distributed under non-emergency programs. (Sec. 318(b)(4))	Same as House bill. (Sec. 2157)
d. Full monetization.	Current law provides no ceiling on monetization under individual activities.	Clarifies that full as well as partial monetization is permissible under Title II. (Sec. 318(b)(4))	Same as House bill. (Sec. 2157)
50. Period for review of Title II proposals. [HB 642; S 2158]	No comparable provision.	Requires that a Title II proposal by a nonprofit voluntary agency or cooperative, having field mission approval be responded to within 45 days of submission, and if the proposal is declined, the response must specify the conditions for approving the proposal. (Sec. 642)	Requires that final action on such a proposal be taken within 45 days of receipt by A.I.D. in Washington. (Sec. 2158)
51. Period for review and comment on Title II Guidelines. [HB 642; S 2158]	No comparable provision.	Requires that, to the extent feasible, the President shall provide notice to interested persons 30 days prior to issuance of Title II guidelines, for review and comment. (Sec. 642)	Same as House bill, except it does not contain the qualifier "to the extent feasible". (Sec. 2158)
52. Deadline for submission to CCC of Title II commodity orders. [S 2158]	No comparable provision.	No comparable provision.	Provides that not later than 15 days after receipt of a call forward (commodity order) from a field mission, the order shall be transmitted to the CCC. (Sec. 2158)

Item	Present Law	House Bill	Senate Amendment
53. Farmer to Farmer program. [S 2159]	Sec. 1107(a) of the Food Security Act of 1985 authorizes a Farmer to Farmer program in developing countries through Sept. 30, 1987.	No comparable provision.	Extends Farmer to Farmer program for three years. (Sec. 2159)

SECTION 416
(Secs. 643-649 OF House Bill and
Secs. 2161-2165 AND 2132 of the Senate Amendment)

Item	Present Law	House Bill	Senate Amendment
54. **Eligible commodities.** [HB 643; S 2161]	Section 416(b)(2) of the Agricultural Act of 1949 provides that agricultural commodities eligible for distribution to developing and friendly countries are "dairy products, grains and oilseeds" and "other edible agricultural products" acquired by the CCC. Sec. 416(b)(10)(B)(i) also makes reference to grains and oilseeds.	Clarifies that (1) commodities for use as animal feed and (2) processed and value added products are eligible under Sec. 416. Also contains a conforming amendment making the same change in Sec. 416(b)(10)(B)(i). (Sec. 643)	Same as House bill, except for the conforming amendment. (Sec. 2161)
55. **Availability of commodities.** [HB 644; S 2162]	No comparable provision.	Provides that if Sec. 416 commodities are provided to a friendly country, nonprofit and voluntary agencies and cooperatives shall be provided the opportunity to obtain such commodities for food aid in that country. (Sec. 644)	Provides that if Sec. 416 commodities are provided to a friendly country, nonprofit and voluntary agencies and cooperatives shall also be eligible to receive commodities for food aid programs in the country. (Sec. 2162)
56. **Multiyear agreements.** [HB 645; S 2163]	Sec. 416(b)(4) authorizes agreements to provide eligible commodities in installments over an extended period of time.	Encourages the Secretary of Agriculture to approve multiyear Sec. 416 agreements, subject to the availability of commodities, if the agreements otherwise meet the requirements of Sec. 416. (Sec. 645)	Substantively the same as House bill, except that the Secretary, upon request, is required to approve such agreements. (Sec. 2163)
57. **Foreign currency uses.** [HB 646(a); S 2164(a)]			

Item	Present Law	House Bill	Senate Amendment
a. Full monetization.	Current law provides no ceiling on monetization for individual activities.	Clarifies that full as well as partial monetization by nonprofit and voluntary agencies and cooperatives is permitted under Sec. 416(b). (Sec. 646(a))	Substantively the same as House bill. Some technical differences. (Sec. 2164(a))
b. Permissible activities using monetization.	No comparable provision	Clarifies that a full range of economic development projects may be undertaken under Sec. 416 by nonprofit and voluntary agencies and cooperatives using proceeds of monetization. (Sec. 646(a))	Substantively the same as House bill, except that it provides that foreign currency proceeds used by private and voluntary agencies and cooperatives shall be used for a wide range of development projects. (Sec. 2164(a))
58. Floor on monetization. [HB 646(b); S 2164(b)]	Sec. 416(b)(7)(D)(iii) requires that five percent of the aggregate value of commodities and products distributed under Sec. 416(b) (except for those furnished under the Food for Progress Act of 1985) shall be used for sales for foreign proceeds.	The amount of Sec. 416 commodities required to be monetized each fiscal year is increased from 5% to 10% of the minimum tonnage required, whichever is greater. (Sec. 646(b))	Same as House bill. (Sec. 2164(b))
59. Period for review of Sec. 416(b) proposals. [HB 647; S 2165]	No comparable provision.	Requires that Sec. 416 proposals by nonprofit and voluntary agencies and cooperatives, having field mission approval, be responded to within 45 days of submission, and if the proposal is declined, the response must specify the conditions for approving the project. (Sec. 647)	Same as House bill, except that the Secretary of Agriculture is required to take final action on proposals. (Sec. 2165)
60. Period for review and comment on Sec. 416(b) guidelines. [HB 647; S 2165]	No comparable provision.	Requires that, to the extent feasible, the President shall provide notice to interested persons 30 days prior to issuance of Sec. 416 guidelines to permit review and comment. (Sec. 647)	Same as House bill, except it does not contain the qualifier "to the extent feasible". (Sec. 2165)

Item	Present Law	House Bill	Senate Amendment
61. Deadline for submission to CCC of Sec. 416(b) commodity orders. [S 2165]	No comparable provision.	No comparable provision.	Provides that not later than 15 days after receipt of a call forward (commodity order) under Sec. 416 from a field mission, it shall be transmitted to the CCC. (Sec. 2165)
62. Minimum quantities of eligible commodities. [HR 648]	Sec. 416(b)(10)(B) provides that the minimum quantity of eligible commodities made available under Sec. 416(b) each fiscal year shall be: (i) 500,000 metric tons of grains and oilseeds, or 10% of the CCC's uncommitted stocks of grains and oilseeds, whichever is less; and (ii) 10 percent of the CCC's uncommitted stocks of dairy products, but not less than 150,000 metric tons of such stocks to the extent that uncommitted stocks are available.	Increases the minimum quantities of Sec. 416(b) commodities to 800,000 metric tons of grains and oilseeds and 200,000 metric tons of dairy products. If this increase results in additional budget outlays, an appropriation act is required. (Sec. 648)	No comparable provision.
63. Multiyear agreements: Food for Progress program. [HR 619; S 2132]	Sec. 1110(a) of the Food Security Act of 1985 provides that Food for Progress may provide for commodities to be furnished on a multiyear basis.	Encourages the President to approve multiyear Food for Progress agreements, subject to the availability of commodities, if the agreements otherwise meet the requirements of the Food for Progress program. (Sec. 649)	Same as House bill, except that the President is required to approve such agreements. (Sec. 2132)

MISCELLANEOUS PROVISIONS AFFECTING IMPORTS

(Sec. 671 of the House bill and secs. 2171, 2173, and 2175-76 of the Senate amendment)

Item	Present Law	House Bill	Senate Amendment
64. Application of Marketing Orders to Imports. [HB 671(a); S 2171]	Imports of a commodity covered by a domestic marketing order may not enter the customs territory of the US during the period when the domestic marketing order is in effect unless such imported commodity meets the requirements of the domestic marketing order.	Provides that the period for prohibition of imports not meeting marketing order standards may be advanced if the Secretary determines that it is needed to prevent imported commodities that do not meet the requirements of the marketing order from circumventing the policy of the marketing order. (Sec. 671(a))	Prohibits the sale of imported commodities in the US during the time a marketing order is in effect unless such imported commodity has been inspected and has been determined to meet the requirements of the applicable marketing order. Beginning in 1989, Secretary of Agriculture may, on an annual basis, provide for an additional period of time (not to exceed 30 days) during which the domestic marketing order requirements would be in effect if it is necessary to prevent imported commodities from circumventing the policy of the marketing order. Before the Secretary may establish such additional period, it must be found that-- (1) during the previous year significant quantities of imports not meeting the marketing order standards were sold in the US while the marketing order was in effect; (2) importation into the US of significant quantities of substandard commodities is likely to substantially circumvent the marketing order standards; and (3) there will be an adequate supply of such commodities available to consumers during such additional period. (Sec. 2171)

Item	Present Law	House Bill	Senate Amendment
65. Reciprocal Meat Inspection Requirement. [S 2173]	Under the Federal Meat Inspection Act the Secretary of Agriculture reviews meat inspection systems in other countries to ensure that such systems maintain standards for meat products exported to the United States that are equivalent to those standards applied within this country.	No comparable provision.	If Secretary of Agriculture determines that a foreign country is applying standards to US meat imports that are either unsubstantiated or more strict than those applied to domestically produced meat and that other trade measures are not adequately addressing the problem, imports of meat from such country must be certified by the Secretary as meeting all applicable US health standards. (Sec. 2173)
66. Monitoring Egg Imports. [S 2175]	No comparable provision.	No comparable provision.	Finds that export subsidies of the European Community on egg exports have caused market distortions to the detriment of US egg producers and that eggs from the Netherlands are about to be certified for import into the US. Sense of Congress that such imports of eggs should be monitored for 1 year by the ITC to determine the impact of such imports on the domestic egg industry and by the Dept. of Commerce to determine the extent such imports are subsidized. Both agencies should report their findings to the House and Senate Agriculture Committees. Efforts should be made to ensure that the EC liberalizes its trading practices concerning eggs produced in the US. (Sec. 2175)

Item	Present Law	House Bill	Senate Amendment
67. Imported Food Labeling Act of 1987. [S 2176]	No comparable provision.	No comparable provision.	Commissioner of the FDA shall issue regulations which will provide to the extent practicable for the labeling of food products which are imported or contain a significant amount of imported ingredients. Secretary of Agriculture shall issue regulations which provide for the labeling of meat, meat products, poultry and poultry products which are imported or contain a significant amount of imported ingredients. These required labels shall, to the extent practicable, reflect the country of origin of the imported product or ingredient. These regulations are to be issued within 6 months. (Sec. 2176)

77-750 O - 87 - 32

MISCELLANEOUS PROVISIONS AFFECTING TRADE

(Secs. 605-06, 610, 621, 623, 627, 651-53, 661, 662, and 664 of the House bill and secs. 2113-14, 2128, 2139A and 2180B of the Senate amendment)

Item	Present Law	House Bill	Senate Amendment
68. Office to Monitor Trade Practices. [HB 605]	No comparable provision.	Secretary of Agriculture shall establish an office in USDA to-- -continuously monitor trade practices of other countries to promote the export of agricultural commodities; -prepare 6-month analyses concerning trade practices and foreign trade barriers; and -submit to Secretary a report every 6 months of the information developed under this provision. Secretary shall submit each report to the House Committees on Agriculture and Ways and Means and the Senate Committees on Agriculture and Finance within 15 days after receipt. Report shall also be delivered to USTR. (Sec. 605)	No comparable provision.

Item	Present Law	House Bill	Senate Amendment
69. Assistance for Victims of Unfair Trade Practices. [HB 606; S 2128]	No comparable provision.	Secretary of Agriculture shall establish an office in USDA which shall assist US citizens and organizations damaged by unfair trading practices. The Office shall provide appropriate assistance in the preparation of cases before the ITC, the USTR, Dept. of Commerce, Court of Int'l Trade, and other similar agencies, and provide the damaged citizen with other assistance. The Office shall provide information and recommendations regarding unfair trade practices to the appropriate federal agencies. On receipt of such information, such agencies shall consult with Secretary of Agriculture regarding what actions will be initiated. Secretary of Agriculture shall report to Congress about assistance provided under this section in the reports required under section 605(c). (Sec. 606)	Substantively similar provision except that Senate amendment requires the Secretary to provide assistance to a damaged citizen and does not require the establishment of a separate office within USDA. Also Senate amendment does not require reports to be filed respecting the assistance rendered. Requires implementation of these provisions within 180 days. (Sec. 2128)
70. Land Grant Colleges and Universities. [HB 610]	No comparable provision.	Sense of Congress: land grant colleges and universities should encourage the study and career objective of international marketing of agricultural commodities and products, etc. (Sec. 610)	No comparable provision.

Item	Present Law	House Bill	Senate Amendment
71. Export Assistance Programs. [HB 621]	No comparable provision.	Sense of Congress: Secretary of Agriculture should-- (1) allow more countries to become eligible under the Export Enhancement Program; (2) establish system to reward foreign governments that eliminate trade barriers; and (3) fully fund the EEP and the short and intermediate term export credit guarantee programs; and (4) fully fund the targeted export assistance program. (Sec. 621)	No comparable provision.
72. Implementation of Secs. 1129 and 1167 of the Food Security Act of 1985. [HB 623; S 2166]	Secs. 1129 and 1167 of the Food Security Act of 1985 require the Secretary of Agriculture to implement barter programs whereby US commodities are exchanged for strategic, critical, or other materials the US does not produce domestically. Under sec. 1129, Secretary is to carry out a pilot barter program by Sept. 30, 1987.	Sense of Congress: Secretary of Agriculture should expedite the implementation of secs. 1129 and 1167 of the FSA of 1985. (Sec. 623)	Sense of Congress: The Secretary of Agriculture should implement the pilot barter program established under sec. 1129 of the FSA of 1985 no later than Sept. 30, 1987. (Sec. 2166)
73. Allocation of Certain Milk. [HB 661]	Under the milk marketing program, all proceeds from milk sales in a particular location are pooled and distributed among the producers. "Other source milk" does not participate in the pool.	Milk produced by dairies owned or controlled by foreign persons and financed through the use of tax-exempt bonds shall be treated as other source milk and shall be allocated as milk received from producer-handlers for the purposes of classifying producer milk under the milk marketing program provided for by the Agricultural Adjustment Act. Section does not apply to any dairy that began operation prior to May 6, 1986. (Sec. 661)	No comparable provision.

Item	Present Law	House Bill	Senate Amendment
74. Minimum Level of Food Assistance. [HB 664]	Current law contains certain minimum levels of expenditures required under specific assistance programs, but no overall mandatory minimum level of expenditure.	Sense of Congress: US should maintain its historic level of food assistance constituting 1/3 of all US foreign economic assistance. Not less than 1/3 of the funds available in each FY for foreign assistance should be used to make food assistance available to foreign countries under the Agricultural Trade and Development Assistance Act of 1954 and sec. 416(b) of the Agricultural Act of 1949. (Sec. 664)	No comparable provision.
75. Private Sector International Trade Development Centers. [S 2139A]	Currently a program in place to provide grants to states for the establishment and operation of international trade centers, primarily at land grant colleges and universities.	No comparable provision.	Secretary of Agriculture shall establish a program to make grants to existing private sector international trade development centers to enhance the exportation of US agricultural commodities, and agricultural, industrial, and other products. Grants shall be based on a matching formula of Federal and non-federal funds. Federal share to average 50 percent. Private sector organization must be located in a predominantly agricultural State. Secretary to give preference to centers organized on a multi-state basis and that focus on trade promotion in economically distressed inland States that do not have major deepwater ports. Authorization of $5,000,000 to carry out this program during its 5 year life. (Sec. 2139A)

Item	Present Law	House Bill	Senate Amendment
76. Exported Tobacco Report. [HB 662]	No comparable provision.	Before any tobacco product is exported from the US (including foreign trade zones), the exporter shall prepare and submit to the Secretary of Agriculture a certified report specifying the quantity of tobacco in such product that was grown in the US, the quantity of foreign grown tobacco in such product. Secretary shall use such reports to verify tobacco stock reports, estimates of US produced tobacco that is exported from the US, and compliance with the requirements of the export credit programs of USDA. Secretary shall annually report this information to Congress. (Sec. 662)	No provision, but see, sec. 2138 with respect to domestic content requirements for the export credit guarantee program.
77. Use of Commodities In Lieu of Cash. [S 2180B]	No comparable provision.	No comparable provision.	In providing assistance under Chapter 4 of Part II of the FAA, the President is required to provide assistance for commodity import programs rather than through cash transfers when the President determines that the needs of the recipient and of the US would be better met. Wherever practicable, recipients of a cash transfer shall use it to procure US goods and services. (Sec. 2180B)

Item	Present Law	House Bill	Senate Amendment
78. Developing Markets for Wood and Wood Products Under Public Law 480. [HR 318(b); S 2181]	Sec. 104 of P.L. 480, provides for the use of foreign currencies which accrue in connection with sales for foreign currencies for, among other things, the development of new markets for US agricultural commodities. Sec. 108 of P.L. 480 authorizes the President to lend to a financial intermediary in a country foreign currency that accrues as a result of commodity sales to such country under an agreement entered into under Title I of PL 480. The financial intermediary must use such funds to make loans for the purpose of financing private enterprise investment and private enterprise facilities for aiding the utilization and distribution of US commodities, etc.	Defines agricultural commodities under PL 480 Title I Sec. 104(b) to include U.S. wood and wood products. (Sec. 318 (b)(1) and (2)) Defines permissible activities under PL 480 Secs. 108 and 106 to include construction of low- and medium-income housing and shelter. (Sec. 318(b)(2))	Similar provision. Makes wood and processed wood products eligible for use in PL 480 market development activities provided for in secs. 104 and 108 of PL 480. (Sec. 2181)
79. Developing Markets for Wood and Wood Products Under the Short-term and Intermediate-term Export Credit Programs. [HB 318(c) & 651; S 2182]	USDA, through the Commodity Credit Corporation, issues short and intermediate term payment guarantees to US exporters with respect to the obligation of a foreign bank to honor a letter of credit issued in connection with an export sale of US commodities.	Designates wood and wood products as agricultural commodities and, therefore, eligible for short and intermediate term export credit guarantee programs. (Sec. 651) [Also see, sec. 318(c) of House Bill which is substantially the same as sec. 651]	Substantively the same; there are minor technical differences. (Sec. 2182)

Item	Present Law	House Bill	Senate Amendment
80. Cooperative Marketing Program for Forest Products. [HB 652; S 2183]	No comparable provision.	Secretary of Agriculture shall establish a cooperative national forest products marketing program to improve the competitiveness of the US forest products industry. Under the program, technical assistance is to be provided to States and to the forest products industry to improve marketing activities and increase competitive opportunities. Matching grants are also to be provided to States to assist in regional forest products marketing efforts. Special attention is to be given to small and medium sized forest products firms. Authorizes the use of $5 million for each of the fiscal years 1989 through 1991. Secretary is to report annually to the Congress with respect to the activities carried out under this program. (Sec. 652)	Substantively the same; there are structural, technical differences. (Sec. 2183)
81. Use of Department of Agriculture Programs. [HB 653; S 2184]	No comparable provision.	Secretary of Agriculture shall actively use USDA commercial and concessional export credit programs to promote the export of wood and processed wood products. (Sec. 653)	Substantively the same; but there is a technical difference. (Sec. 2184)

MISCELLANEOUS PROVISIONS

(Sec. 671(b) of the House bill and secs. 2177 and 2194A-2199 of the Senate amendment)

Item	Present Law	House Bill	Senate Amendment
82. **Paid Advertising for Florida Grown Strawberries Under Marketing Orders.** [HB 671(b); S 2194A]	Provides that marketing orders issued in accordance with the Agricultural Adjustment Act may provide for development projects and that with respect to some commodities, such projects may provide for paid advertising.	Adds Florida grown strawberries to the list of commodities that may benefit from paid advertising under a marketing order. (Sec. 671(b))	Same provision. (Sec. 2194A)
83. **Annual Appropriations to Reimburse the Commodity Credit Corporation for Net Realized Losses.** [S 2177]	Authorization to reimburse the Commodity Credit Corporation annually for its net realized losses incurred in the fiscal year as shown on the CCC's books at the close of the fiscal year.	No comparable provision.	The authorization for reimbursement shall be made "by means of a current, indefinite appropriation", beginning with the 1988 fiscal year. (Sec. 2177)

Item	Present Law	House Bill	Senate Amendment
84. Alternative Agricultural Products Research. [S 2195-99]	No comparable provision.	No comparable provision.	Provisions intended to promote research in the modification of plants and plant materials, and associated research. (Sec. 2195) Contains relevant definitions including definitions of "biotechnological research project", "new product", non-traditional food", and "traditional fiber". (Sec. 2196) Establishes a New Products Research Board, composed of government employees, which shall advise the Secretary of Agriculture on specific targets of opportunity for development of new marketable industrial and commercial products from plants and agricultural materials, recommend projects for funding; establish expert advisory committees to assist the Board, and report on the progress of the funded projects. (Sec. 2197) In considering whether a project is to be funded, the Board is to consider the economic viability of the project, the need for the new product, the time period likely to be needed for development, and the impact on Federal crop subsidies of the development of the new product. At least 20 projects are to be funded. (Sec. 2198) $75 million is authorized to be appropriated for each of the next 20 fiscal years. (Sec. 2199).

Item	Present Law	House Bill	Senate Amendment
85. Price Support for Sunflower Seeds and Cottonseed. [S 2172]	Authority for the implementation of a discretionary price support program for sunflower seeds and a marketing loan program for sunflower seeds for the 1988 through 1990 crops. (P.L. 100-45)	No comparable provision.	Provides that if the triggered marketing loan provisions go into effect and a marketing loan is implemented with respect to the 1990 crop of soybeans, then price support program for sunflower seeds would be mandatory. Also mandates a price support program for cottonseeds if the triggered marketing loan provisions go into effect. (Sec. 2172) See, triggered marketing provisions, sec. 2131.

STUDIES AND REPORTS

(Secs. 607, 611, 613, 672-682 of House Bill and secs. 2136, 2171A, 2174, and 2191-2194 of Senate amendment)

Item	Present Law	House Bill	Senate Amendment
86. Long-Term Agricultural Trade Strategy Reports. [HB 607]	No comparable provisions.	Provides for Secretary of Agriculture to prepare annual long-term agricultural trade strategy reports establishing policy goals for U.S. agricultural trade and exports and recommended levels of spending on international activities of USDA for 1, 5, and 10 year periods. (Sec. 607)	No comparable provision.
87. Study of Canadian Wheat Import Licensing Requirements. [HB 613]	No comparable provisions.	Finds that Canadian wheat import licensing scheme constitutes a non-tariff trade barrier to US exports of wheat. Sec. of Agriculture to conduct study to determine the nature and extent of the licensing requirements and its effect on US exports of wheat and wheat products to Canada. Results to be submitted in 90 days. (Sec. 613)	No comparable provision.
88. Import Inventory. [HB 672; S 2174]	No comparable provisions.	Requires Secretary of Agriculture, in consultation with other appropriate agency heads, to compile and report statistics on the total value and quantity of imported raw and processed agricultural products and data on the total amount of production and consumption of domestically produced raw and processed agricultural products. Report to be issued on a quarterly basis. (Sec. 672)	Same provision with minor technical differences, except that first report is required to be issued not later than 1 year after date of enactment of Act. (Sec. 2174)

Item	Present Law	House Bill	Senate Amendment
89. Study Relating to Honey. [HB 673; S 2193]	No comparable provisions.	Sec. of Agriculture shall conduct study to determine effect of honey imports on US honey producers, pollination, and interference with honey price support program. The study is to be completed and a report filed within 60 days. (Sec. 673)	Substantively identical but there are some technical differences. (Sec. 2193)
90. Rose Study, Report and Findings. [HB 674]	No comparable provisions.	Secretary of Agriculture shall conduct a study to determine the effect of rose imports on the domestic industry, the effect of the EC's tariff rate on world rose trade, and the extent to which foreign barriers to trade are impeding international marketing of US roses. Study must be completed within 120 days and reported to Congress as soon as it is completed. If Secretary finds that US rose industry is being hurt by unfair trade practices, Secretary is urged to use all available remedies and recommend to Sec. of Commerce and USTR that antidumping or countervailing duty investigations be commenced. (Sec. 674)	No comparable provision.
91. Study Concerning Dairy Import Quotas. [HB 675; S 2191]	No comparable provision.	Secretary of Agriculture shall study how the dairy price support program or the US dairy industry might be adversely affected if dairy import quotas (imposed in accordance with Sec. 22 of the Agricultural Adjustment Act) are reduced or eliminated in the GATT negotiations or similar negotiations. The study is to be submitted to the USTR, House and Senate Agriculture Committees, Ways and Means Committee, and the Senate Finance Committee. (Sec. 675)	Similar provision with technical differences, except that Senate provision looks only at effects on the milk price support program; study must be completed within 180 days; and report must be submitted only to the House and Senate Agriculture Committees. (Sec. 2191)

77-750 0 - 87 - 33

Item	Present Law	House Bill	Senate Amendment
92. Study of Circumvention of Agricultural Quotas. [S 2194]	No comparable provision.	No comparable provision in agriculture title. [but note, subconference #1 will confer on sec. 875(b) of House bill which requires a study of the circumvention of existing sugar quotas]	Secretary of Agriculture shall conduct a study to determine whether section 22 quotas on imports of dairy products, sugar, and sugar containing products are being circumvented by imports of articles containing sugar or dairy products. A report is to be submitted to the House and Senate Agriculture Committees within 120 days. If the Secretary determines that imports of these articles are materially interfering with the domestic price support program for milk or sugar, the Secretary shall notify the President and the President shall instruct the ITC to conduct an investigation under section 22 of the Agricultural Adjustment Act. (Sec. 2194)
93. Imported Meat and Poultry Products. [HB 676]	No comparable provision.	Within 90 days after enactment of Act, Secretary of Agriculture shall submit a report to Congress that, among other things-- 1) specifies planned distribution in FY87 and '88 of USDA resources for sampling imports of meat, poultry, and egg products to ensure compliance with the Fed. Meat Inspection Act, Poultry Products Inspection Act, and Egg Products Inspection Act governing permitted levels of pesticide, drugs, and other residues in such products; 2) responds to an OIG audit report No. 38002-2-hy; and 3) specifies the number of samples of meat and poultry imports taken during 1986 and 1987 in carrying out such Acts and contains details about violations and the actions taken in response to the violations. (Sec. 676)	No comparable provision. But see, provisions concerning meat inspection reciprocity (Sec. 2173) [Note, subconference #15 will confer on secs. 2185-88 of the Senate amendment relating to safe food imports]

Item	Present Law	House Bill	Senate Amendment
94. Study Pertaining to Lamb Meat Imports. [HB 682]	No comparable provision.	Amends Meat Import Act of 1979 to provide that Secretary of Agriculture shall study trends of lamb meat imports and the effects of such imports on domestic production of lamb meat. Report is to be submitted by Secretary no later than June 1, 1988, or 180 days after enactment of Act, whichever is later. (Sec. 682)	No provision. [but note, subconference #1 will confer on sec. 951 of the Senate amendment imposing lamb import restrictions. (Sec. 951).
95. Report on Intermediate Export Credit. [HB 612(a); S 2192]	No comparable provision.	By December 31, 1987, Secretary of Agriculture shall submit report to the House and Senate Agriculture Committees and the House Foreign Affairs Committee on the use of authorities under the Food for Peace Act of 1966, the Agricultural Trade Development and Assistance Act of 1954, the CCC Charter Act, and sec. 416 of the Agricultural Act of 1949, to provide intermediate credit financing for the establishment of facilities in importing countries to improve handling, marketing, processing, storage, and distribution of imported ag products, increase livestock production to enhance the demand for US feed grains, and to increase markets for US livestock and livestock products. (Sec. 612(a))	Similar provision with some technical differences, except that report only goes to the House and Senate Agriculture Committees and the report only deals with the authorities under section 4(b) of the Food for Peace Act of 1966. (Sec. 2192)

Item	Present Law	House Bill	Senate Amendment
96. Study Concerning Table Grapes. [S 2171A]	No comparable provision.	No comparable provision.	Secretary of Agriculture is to conduct study of table grapes subject to sec. 8e of the Agricultural Adjustment Act (marketing orders) to determine whether table grapes imported during 1988-1990 are meeting the terms of the applicable marketing order in effect at the time the imported table grapes are offered for sale. Secretary must take into account industry practice of cold storage; provide notice and public comment; and submit study to House and Senate Agriculture Committees by October 1, 1990. (Sec. 2171A)
97. Agricultural Attache Reports. [S 2136]	Sec. 1132 of the Food Security Act of 1985 requires agricultural attaches to prepare certain reports concerning the international trade activities of foreign countries.	No comparable provision.	Requires Secretary of Agriculture to take certain actions with respect to the reports prepared by agricultural attaches including-- ranking identified trade barriers by commodity group; list of actions intended to be taken to eliminate identified trade barriers; and make the compilation available to Congress and, if nonconfidential, other interested parties. (Sec. 2136)
98. Annual Reporting on Certain Programs. [HB 612(b)]	No comparable provision.	Secretary of Agriculture after consultation with the Administrator of AID shall report annually to Congress on the extent that food and agriculturally related foreign economic assistance programs of the previous year (other than direct feeding or emergency food aid programs) that are administered by the federal government or by nongovernmental entities serve direct market development objectives for US agricultural commodities and products. (Sec. 612(b))	No comparable provision.

SUBCONFERENCE #7
INVESTMENT; COMPETITIVENESS; FOREIGN CORRUPT PRACTICES ACT

TABLE OF CONTENTS

		Page
1.	Sections of House Bill and Senate Amendment included in Subconference #7	389
2.	Conferees of the House and Senate and Sections for which they are appointed	390
3.	Comparison of House and Senate Provisions with Present Law	394
	A. Foreign Corrupt Practices Act	394
	B. Investment; Competitiveness	400

SECTIONS OF HOUSE BILL AND SENATE AMENDMENT INCLUDED IN SUBCONFERENCE #7 -- INVESTMENT; COMPETITIVENESS; FOREIGN CORRUPT PRACTICES ACT

House bill

Secs. 701,703, 903-905 and 910

Senate amendment

Title XIV (Sec. 1401)
Title XVI (Secs. 1601-1605)

CONFEREES OF THE HOUSE AND SENATE AND SECTIONS FOR WHICH THEY ARE APPOINTED

Sections	House Conferees	Senate Conferees
Section 701 of House bill; Title XVI (Sections 1601-1605) of Senate amendment	Energy and Commerce (6-4) Dingell, Florio, Markey, Sharp, Swift, Bryant; Lent, Moorhead, Rinaldo, Dannemeyer Foreign Affairs (6-4) Fascell, Bonker, Mica, Berman, Levine, Bilbray; Broomfield, Roth, Bereuter, Miller (WA)	Banking, Housing, and Urban Affairs (3-2) Proxmire, Sarbanes, Dixon; Garn, Heinz
Section 701 of House bill; Sections 1603-1605 of Senate amendment	Judiciary (3-2) Rodino, Hughes, Crockett; McCollum, Lungren	

Sections	House Conferees	Senate Conferees
Section 703 of House bill	Energy and Commerce (9-5) Dingell, Florio, Markey, Sharp, Swift, Bryant, Synar, Eckart, Slattery Lent, Moorhead, Rinaldo, Dannemeyer, Ritter	Commerce, Science, and Transportation (4-3) Hollings, Inouye, Exon, Riegle Danforth, Packwood, Pressler
	Foreign Affairs (3-2) Bonker, Mica, Berman Roth, Bereuter	
Section 703(h) of House bill	Judiciary (3-2) Rodino, Hughes, Crockett Fish, Moorhead	
Section 903 of House bill	Energy and Commerce (6-4) Dingell, Florio, Markey, Sharp, Swift, Bryant Lent, Moorhead, Rinaldo, Dannemeyer	Banking, Housing, and Urban Affairs (3-2) Proxmire, Sarbanes, Dixon Garn, Heinz
	Foreign Affairs (6-4) Fascell, Bonker, Mica, Berman, Levine, Bilbray Broomfield, Roth, Bereuter, Miller (WA)	

Sections	House Conferees	Senate Conferees
Section 904 of House bill	Energy and Commerce (6-4) Dingell, Florio, Markey, Sharp, Swift, Bryant; Lent, Moorhead, Rinaldo, Dannemeyer Education and Labor (3-2) Hawkins, Ford (MI), Gaydos; Jeffords, Goodling Science, Space, and Technology (3-2) Roe, Walgren, Brown (CA); Lujan, Boehlert	Banking, Housing, and Urban Affairs (3-2) Proxmire, Sarbanes, Dixon; Garn, Heinz
Section 905 of House bill	Energy and Commerce (3-2) Dingell, Florio, Markey; Lent, Dannemeyer Foreign Affairs (3-2) Bonker, Mica, Berman; Roth, Bereuter Banking, Finance, and Urban Affairs (3-2) Oakar, LaFalce, Vento; McMillan (NC), Roth	Banking, Housing, and Urban Affairs (3-2) Proxmire, Sarbanes, Dixon; Garn, Heinz

Sections	House Conferees	Senate Conferees
Section 910 of House bill	Judiciary (3-2) Rodino, Edwards (CA), Hughes Fish, Moorhead Energy and Commerce (6-4) Dingell, Florio, Markey, Sharp, Swift, Bryant Lent, Rinaldo, Dannemeyer, Ritter	Banking, Housing, and Urban Affairs (3-2) Proxmire, Sarbanes, Dixon Garn, Heinz
Title XIV (Section 1401) of Senate amendment	Energy and Commerce (3-2) Dingell, Florio, Markey Lent, Dannemeyer Foreign Affairs (3-2) Bonker, Mica, Berman Roth, Bereuter Banking, Finance, and Urban Affairs (3-2) Oakar, LaFalce, Vento McMillan (NC), Roth Judiciary (3-2) Rodino, Edwards (CA), Hughes Fish, Moorehead	Banking, Housing, and Urban Affairs (3-2) Proxmire, Sarbanes, Dixon Garn, Heinz plus: Exon Danforth

COMPARISON OF HOUSE AND SENATE PROVISIONS WITH PRESENT LAW

(Sections 701, 703, 903, 904, 905 and 910 of House Bill; Sections 1401 and 1601-1605 of Senate Amendment)

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
1. Short Title (Section 1601 of Senate Amendment)	Foreign Corrupt Practices Act	No Provision.	Foreign Corrupt Practices Act Amendments of 1987.
2. Findings and Conclusions (Section 1602 of the Senate Amendment)	No Provision.	No Provision.	General findings and conclusions noting the significance of the Foreign Corrupt Practices Act of 1977 in prohibiting bribery of foreign government officials by U.S. companies but also noting need for reform.
3. Liability and Penalties for Violations of Accounting Standards (Sec. 1603 of Senate Amendment)			

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
(a) Standard of Liability Requirements	1. Under FCPA's accounting requirements, "Issuers" (firms which issue securities registered with the SEC or who are required to file certain periodic reports) must keep records which "in reasonable detail" accurately reflect transactions of the firms' assets. They are also required to institute and maintain an internal accounting system which provides "reasonable assurances" of the integrity of the firms' accounting practices. The Act does not define "reasonable detail" or "reasonable assurance." 2. Both civil and criminal liability applies to all violations of the accounting requirements. 3. Under current law, there is no explicit definition of issuer liability for violations by subsidiaries.	No Provision.	1. Criminal liability for violations of accounting standards would only apply to those who "knowingly circumvent" a system of internal accounting controls or "knowingly falsify" records kept pursuant to accounting requirements. 2. "Reasonable detail" and "reasonable assurances" are defined as being sufficient to "satisfy prudent officials in the conduct of their own affairs, having in mind a comparison between benefits to be obtained and costs to be incurred." 3. Issuer's responsibility for a subsidiary's compliance accounting requirements (when an issuer holds 50 percent or less of the subsidiary's voting power) is discharged if the issuer proceeds in "good faith to use its influence, to the extent reasonable under the circumstances," to cause its subsidiary to comply with the requirements. Included in relevant "circumstances" are the firm's relative degree of ownership over the subsidiary and the laws of the country in which the subsidiary is located.
(b) Penalties	The Securities and Exchange Commission may seek civil injunctive relief for violations of this provision, and violators may also be subject to criminal prosecution by the Department of Justice and penalties of fines up to $10,000 or imprisonment up to 5 years, or both.	No Provision.	No Provision.

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
4. **Liability Under Anti-Bribery Provisions** (Sec. 701 of the House Bill; Sec. 1604 of Senate Amendment)			
(a) **Direct payments to foreign officials**	FCPA prohibits any firm (issuers and other "domestic concerns") or individual (officer, director, employee, or agent, or stockholder acting on behalf of firm), from using the mails or interstate commerce "corruptly" in furtherance of an offer or payment of money or anything of value to a "foreign official" or to a political party, party officials, or candidates for foreign political office for the purpose of influencing such person in his decisionmaking or in the use of his influence to affect governmental decisions to assist the firm in obtaining business. The Act excludes from its prohibitions any payments made to an employee of a foreign government or instrumentality whose duties are essentially "ministerial or clerical."	Explicitly includes within categories of prohibited payments those made to assist in the "procurement of legislative, judicial, regulatory or other action in seeking more favorable treatment by a foreign government." It is a "defense" to an FCPA action that a payment was made to expedite or secure the performance of a "routine governmental action" by a foreign official, or if the payment was "expressly permitted under a law or regulation of the government of the country involved." A "routine governmental action" is defined as one "ordinarily and commonly performed" by a foreign official and includes processing governmental papers, loading and unloading cargoes, and scheduling inspections associated with contract performance. It does <u>not</u> include any decision "to award new business or to continue business with a particular party."	No similar provision. Excludes from prohibited payments those made to facilitate or expedite a "routine governmental action." It explicitly refers to obtaining permits and other types of government licenses and protecting perishable products or commodities from deterioration. The term is also defined as not including any decision by a foreign official to award new business or continue business with a particular party. The Senate Amendment excludes from prohibited payments "reasonable and bona fide expenditures" such as travel and lodging expenses incurred by or on behalf of a foreign official which are associated with the selling or purchasing of goods or services or the performance of a contract with a foreign government.

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
			It is an affirmative defense to a violation if 1) the payment made is "lawful" in the foreign official's country, or 2) if a "nominal" payment constitutes a "courtesy, a token of regard or esteem, or [is made] in return for hospitality" and is of "reasonable value in the context of the type of transaction involved, local custom, and local business practice."
(b) Standard of Liability for Payments Made Through 3rd Parties	The Act prohibits payments made to "any person, while knowing or having reason to know" that the payment would be used by that person for purposes barred under the direct payment provision.	Changes the current "knowing or reason to know" standard of liability to a "recklessly disregarding" standard for civil liability and a "knowing" standard for criminal liability for illegal payments made through a 3rd person. "Knowing" is defined as being "aware or substantially certain" or consciously disregarding a "high probability" that a payment will be made for prohibited purposes. "Reckless disregard" is defined as acting when aware of a "substantial risk" that a payment will be made for prohibited purposes. A risk is "substantial" if given its nature and degree, to disregard it would constitute "a substantial deviation from the standard of care that a reasonable person would exercise in such a situation."	Removes "knowing or reason to know" approach and replaces it with prohibition of directing or authorizing "expressly or by course of conduct" a 3rd party to make a payment for any purpose barred under the direct payment provision.

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
(c) Vicarious Liability Defense	No explicit provision - firms may be held vicariously liable for FCPA violations by employees or agents.	Establishes new due diligence defense to vicarious liability. The firm will not be held vicariously liable for violations if the officers and employees with supervisory responsibility for the employee or agent violating the law used "due diligence" to prevent the violation. The bill does not specifically define the term "due diligence."	No Provision.
5. Penalties for Violations of Anti-Bribery Provisions			
(a) Extent of Penalties (Sec. 701 of House Bill)	An issuer or domestic concern which violates the anti-bribery provisions is subject to a criminal fine of $1 million. Any individual who willfully violates these provisions is subject to a criminal fine of $10,000, imprisonment of up to 5 years, or both. The Attorney General is also authorized to seek injunctive relief against a domestic concern or an individual when it appears that it is engaged or is about to engage in a violation of the bribery provisions.	Raises the maximum criminal fines for a firm to $2 million, and for individuals to $100,000. Creates a new civil penalty of up to $10,000 for firms and individuals. Also provides that the Attorney General may seek civil injunctive relief against a domestic concern or individuals.	No change from present law.
(b) Enforcement of Anti-Bribery provisions (Sec. 1604 of Senate Amendment)	SEC has authority for enforcing the civil remedies against issuers who violate the anti-bribery provision. The Justice Department enforces the criminal penalties against issuers and the civil and criminal remedies against domestic concerns.	No Provision.	This section gives the Justice Department all civil and criminal jurisdiction with respect to enforcing the anti-bribery provisions of the FCPA. The SEC may transmit available evidence of bribery violations to the committees of jurisdiction in the Congress on the disposition of any such cases.

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
6. Guidelines and Opinions by Attorney General (Sec. 701 of the House Bill)	No Provision.	The bill establishes a procedure under which the Attorney General may issue general guidelines describing examples of activities that would or would not conform with the Justice Department's present enforcement policy regarding FCPA violations. In addition, the Department must establish procedures to provide opinions in response to specific inquiries from firms concerning conformance of their conduct with the Department's present enforcement policy. The effect of a Department opinion letter is merely to create a presumption of compliance, with final adjucation left to the courts. The Department must also, to the extent possible, provide timely guidance to exporters and small businesses who are unable to obtain specialized counsel with respect to compliance with the FCPA.	No Provision.
7. International Agreement (Sec. 701 of the House Bill)	No Provision.	Sense of Congress that President should pursue the negotiation of an international agreement to govern acts now prohibited under FCPA. Within 1 year of enactment of this Act, the President must submit to the Congress a report on the progress of the negotiations and those steps which should be taken in the event that the negotiations fail.	No Provision.

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
8. **Exclusivity Provision for Overseas Bribery** (Sec. 1605 of Senate Amendment)	No Provision.	No Provision.	This section provides that except in plea bargain situations, criminal prosecution against any firm or individual for overseas bribery shall be pursued as a violation of the FCPA and not a violation of the mail or wire fraud laws where the prosecution is based upon the theory that a foreign official violated a fiduciary duty.
9. **Registration of Foreign-Held Interest Property** (Sec. 703 of House Bill)	Certain reporting requirements now exist under the banking and securities laws and in the U.S. International Investment Survey Act. Much of the information may be confidential.	Establishes a registration system in the Department of Commerce for "significant" and "controlling" foreign-owned interest in U.S. business enterprises and real estate. For significant interests: The bill requires that significant interests in U.S. property acquired after enactment of the bill be registered within 30 days after regulations become effective; requires that all significant interest acquired before enactment and still held be registered within 180 days after regulations become effective. Establishes additional reporting requirements for controlling interests. For controlling interests: The bill requires additional disclosure for foreign controlling interests such as the controlled U.S. enterprise's balance sheet and income statement, and statements regarding sales, assets and other similar information.	No provision.

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
		A significant interest is defined to include interests of 5 percent of more in any "United States property" -- defined to include United States businesses and real property with assets exceeding $5 million or annual sales in any two or more U.S. properties with total assets exceeding $20 million or total annual sales in the most recent fiscal year exceeding $40 million; or interests of $10 million or more in value in any U.S. property regardless of its percentage. "Controlling interest" is defined as 25 percent or more in a U.S. business enterprise with assets exceeding $20 million or annual sales in the most recent fiscal year exceeding $20 million. Requires establishment of an inventory to permit public access to the information reported. Registration requirements apply only to equity or ownership interest -- debt is excluded.	
10. Competitiveness Development Program and related initiatives (Sections 903 and 904 of the House Bill)	None.	Requires the Secretary of Commerce to establish a Competitiveness Development Program to analyze Federal, State and Local regulation of foreign and U.S. firms and their impact on interstate and foreign commerce, as well as to analyze other factors affecting the competitiveness of U.S. firms. In addition, the Secretary is required, on the basis of his analysis, to develop and implement strategies and policies designed to increase the competitiveness of U.S. firms in interstate and foreign commerce. The Secretary is also required	No similar provision.

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
		to prepare an inventory of research and development that is relevant to the maintenance and expansion of U.S. competitiveness; to consult with the Secretary of Labor and Secretary of Education as well as the heads of State agencies regarding actions needed to upgrade labor skills; and to consult with appropriate Federal and State officials regarding regulatory requirements that inhibit the commercialization of goods or services.	
11. Authority to block foreign takeovers that threaten to impair national security and essential commerce (Section 905 of the House Bill; Title XIV of the Senate Amendment)	None.	Provides that the Secretary of Commerce shall investigate, if requested to do so by an agency head or on the Secretary's own initiative, to determine the effects on national security, essential commerce, and economic welfare of mergers, acquisitions, joint ventures, licensing and takeovers by or with foreign companies which involve U.S. companies engaged in interstate commerce. The Secretary has 45 days to make a determination regarding his investigation, and if appropriate, to make recommendations to the President for restricting the foreign effort involving the firm engaged in interstate commerce. If the Secretary determines that the foreign control of firms engaged in interstate and foreign commerce would threaten to impair national security and essential commerce, the President must take action he deems appropriate, unless he determines that there is no threat to national security and essential commerce. Drafted as a free-standing provision of law.	Similar to House provision except: only Executive Departments, the Attorney General and the USTR can request that the Secretary of Commerce initiate an investigation, and the Secretary has the discretion as to whether to initiate the requested investigation; the criteria which is the subject of review is "national security, or essential commerce which relates to national security;" only pertains to mergers, acquisitions and takeovers (not joint ventures and licensing) commenced on or after June 4, 1987; confidentiality of proprietary information is guaranteed; and the President has discretion as to whether to act on the Secretary's recommendation for action; and drafted as an amendment to the Defense Production Act.

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
12. Impact of National Defense Expenditures on International Competitiveness (Section 910 of the House Bill)	None.	Expresses the sense of Congress that the President should evaluate the impact on U.S. competitiveness of foreign countries' expenditures on defense, including Japan's expenditure of 1 percent of its GNP on defense as compared to the U.S. expenditure of 6 percent of its GNP.	No similar provision.

SUBCONFERENCE #8
EDUCATION AND LABOR

TABLE OF CONTENTS

	Page
1. Sections of House and Senate Amendment included in Subconference #8	405
2. Conferees of the House and Senate and Sections for which they are appointed	406

NOTE: The comparison of House and Senate Provisions with Present Law have been printed separately.

SECTIONS OF HOUSE BILL AND SENATE AMENDMENT INCLUDED IN SUBCONFERENCE #8 -- EDUCATION AND LABOR

House bill

Title V

Senate amendment

Titles XXII-XXXII

CONFEREES OF THE HOUSE AND SENATE AND SECTIONS FOR WHICH THEY ARE APPOINTED

Sections	House Conferees	Senate Conferees
Sections 501-587 of House bill; Titles XXIII through XXXII (Sections 2301-3252) of Senate amendment	Education and Labor (5-3) Hawkins, Ford (MI), Biaggi, Kildee, Williams Jeffords, Goodling, Coleman (MO)	Labor and Human Resources (5-3) Kennedy, Pell, Metzenbaum, Mikulski, Adams Hatch, Stafford, Quayle
Section 2305 of Senate amendment	Science, Space, & Technology (3-2) Roe, Walgren, Brown (CA) Lujan, Boehlert	
Sections 591-594 of House bill; Title XXII (Sections 2201-2204) of Senate amendment (except the portion of section 2202 that would add new part B to title III of the Job Training Partnership Act)	Education and Labor (5-3) Hawkins, Ford (MI), Gaydos, Clay, Martinez Jeffords, Roukema, Gunderson	Labor and Human Resources (5-3) Kennedy, Pell, Metzenbaum, Mikulski, Adams Hatch, Stafford, Quayle
Section 2202 of Senate amendment (insofar as it would add new part B to title III of the Job Training Partnership Act)	Education and Labor (7-4) Hawkins, Ford (MI), Gaydos, Clay, Martinez, Murphy, Owens (NY) Jeffords, Roukema, Gunderson, Bartlett	Labor and Human Resources (5-3) Kennedy, Pell, Metzenbaum, Mikulski, Adams Hatch, Stafford, Quayle

SUBCONFERENCE #9
TECHNOLOGY

TABLE OF CONTENTS

		Page
1.	Sections of House Bill and Senate Amendment included in Subconference #9	408
2.	Conferees of the House and Senate and Sections for which they are appointed	409
3.	Comparison of House and Senate Provisions with Present Law	411
	A. Interagency Committee on Symmetrical Access to Technological Research . .	411
	B. National Critical Materials Council	412
	C. National Institute of Technology	413
	D. Technology Extension Activities and Clearinghouse on State and Local Initiatives	414
	E. Advanced Technology Program	415
	F. Report on Semiconductors, Superconductors, and Advanced Manufacturing Technology	416
	G. Authorizations of Appropriations for Technology Activities	417
	H. Miscellaneous Technology and Commerce Provisions	418
	I. Resolution Regarding Metric System	419

SECTIONS OF HOUSE BILL AND SENATE AMENDMENT INCLUDED IN SUBCONFERENCE #9 -- TECHNOLOGY

House bill

No provisions

Senate amendment

Title XXXVIII, Subtitles E (Sec. 3871) and F (Secs. 3881-3884)
Titles XL-XLIV
Title XLV (Secs. 4501-4505), except Secs. 4501 and 4502
Sec. 4902

77-750 O - 87 - 35

CONFEREES OF THE HOUSE AND SENATE AND SECTIONS FOR WHICH THEY ARE APPOINTED

Sections	House Conferees	Senate Conferees
Section 3871 of Senate amendment	Science, Space, and Technology (6-4) Roe, Walgren, MacKay, Brown (CA), Scheuer, Lloyd Lujan, Boehlert, Walker, Sensenbrenner	Governmental Affairs (3-2) Glenn, Chiles, Ringaman Roth, Stevens
	Foreign Affairs (6-4) Fascell, Bonker, Mica, Berman, Levine, Bilbray Broomfield, Roth, Bereuter, Miller	
	Ways and Means (6-3) Rostenkowski, Gibbons, Jenkins, Downey (NY), Pease, Russo Crane, Frenzel, Schulze	
Sections 3881-3884 of Senate amendment	Science, Space, and Technology (6-4) Roe, McCurdy, Glickman, Nelson, McMillen (MD), Hayes (LA) Lujan, Lewis (FL), Walker, Ritter	Governmental Affairs (3-2) Glenn, Chiles, Ringaman Roth, Stevens

Sections	House Conferees		Senate Conferees	
Titles XL through XLIV (Sections 4001-4402) and Sections 4503-4505 of Senate amendment	Science, Space, and Technology (6-4)		Commerce, Science, and Transportation (4-3)	
	Roe	Lujan	Hollings	Danforth
	Walgren	Boehlert	Inouye	Packwood
	Brown (CA)	Schneider	Exon	Pressler
	Scheuer	Ritter	Riegle	
	Lloyd			
	Glickman			
Section 4902 of Senate amendment	Science, Space,and Technology (6-4)		Commerce, Science, and Transportation (4-3)	
	Roe	Lujan	Hollings	Danforth
	Walgren	Lewis (FL)	Inouye	Packwood
	Brown (CA)	Packard	Exon	Pressler
	Scheuer	Beuchner	Riegle	
	Lloyd			
	Glickman			

INTERAGENCY COMMITTEE ON SYMMETRICAL ACCESS TO TECHNOLOGICAL RESEARCH
(SEC. 3871 OF SENATE AMENDMENT)

ITEM	CURRENT LAW	HOUSE BILL	SENATE AMENDMENT
1. Establishment and function.	No provision.	No such provision.	Establishes an interagency committee to assess the availability of equally-valued technological knowledge in foreign countries and its implementation in trade negotiations. The committee is charged with producing annual reports to Congress and setting negotiating goals for the United States Trade Representative (USTR). These should be designed to increase the degree of access the U.S. has to technological knowledge and information in other countries. The Committee will be comprised of the Chairman of the Federal Laboratory Consortium, the Secretary of Defense, the USTR, the Secretary of State, the Director of the National Science Foundation, and the Secretary of Commerce. The Secretary of Commerce is designated the Chairman of the Committee. The Committee's functions are to develop the concept of "symmetrical access", its relevance to individual nations, and the effects on the U.S. An annual report to Congress is mandated. It will include a country-by-country analysis, recommendations for policy changes that might improve symmetrical access, an explanation of the general concept of symmetrical access, the negotiation goals for the USTR set by the Committee, and an assessment of the progress made by the USTR in reaching such goals.

NATIONAL CRITICAL MATERIALS COUNCIL
(SECTIONS 3881-3884 OF SENATE AMENDMENT)

2. Program plan; personnel matters; and authorization of appropriations.	Public Law 98-373 provides for the establishment of the National Critical Materials Council, for development of a continuing and comprehensive national materials policy, and for programs necessary to carry out that policy, including federal programs of advance materials research technology.	No such provision.	The Council is mandated to prepare the National federal program plan for advanced materials research and development under the National Critical Materials Act of 1984 and shall submit such plan to Congress 180 days after enactment. The Executive Director of the National Critical Materials Council shall increase the number of employees of the Council by the equivalent of 5 full-time employees. Authorization of appropriations is extended two years, from 1990 to 1992.

NATIONAL INSTITUTE OF TECHNOLOGY
(SECTIONS 4001-4005 OF SENATE AMENDMENT)

3.	Findings and purposes (sec. 4001)	National Bureau of Standards Act of 1901, as amended, is the existing statute.	No such provision. (NOTE: While the House version of H.R. 3 contains no provisions corresponding to Title XL-XLV of the Senate amendment, the House Committee on Science, Space, and Technology has reported a separate companion bill on technology competitiveness, H.R. 2916.)	Amends sec. 1 of NBS Act. Finds that U.S. competitiveness requires improvements in manufacturing technology and quality control; that research is needed, in cooperation with industry, to develop new methods and processes; that the Federal Government should maintain a national science, engineering, and technology laboratory. Purpose is to redesignate the National Bureau of Standards as the National Institute of Technology and to enhance its capabilities.
4.	Establishment, functions, activities (sec. 4002)	Establishes National Institute of Technology and authorizes a range of technical activities and functions.		Amends sec. 2 of NBS Act. Establishes National Institute of Technology (NIT) within Commerce Departmentment. Functions and activities similar to present law.
5.	Repeal of provisions (sec. 4003)			Repeals archaic sections of NBS Act.
6.	Reports, studies (sec. 4004)	No provision.		Adds new sections 20 and 21 to NBS Act. 20 directs Director to keep Congress informed especially on fee changes. 21 authorizes contracts with the National Academies of Engineering and Sciences.
7.	Technical amendment (sec. 4005)			Amends NBS Act by replacing "Bureau" with "Institute".

TECHNOLOGY EXTENSION ACTIVITIES AND CLEARINGHOUSE ON STATE AND LOCAL INITIATIVES
(SECTIONS 4101-4102 OF SENATE AMENDMENT)

8.	Extension activities (sec. 4101)	No equivalent provisions.	No provisions.	Further amends NBS Act by adding new sections 22, 23, 24. 22 establishes an Office of Extension Services within the National Institute of Technology. 23 directs the Secretary of Commerce, through the Director, to assist the creation of regional Centers for the Transfer of Manufacturing Technology. Any nonprofit group may apply; costs are shared. The Centers are to transfer new basic manufacturing technologies and techniques developed at the Institute to small and medium-sized U.S. companies. Federal support is limited to six years. 24 directs the Secretary, through the Director, to establish a three-year Pilot State Technology Extension Program, which will provide assistance to States which propose innovative State programs to transfer Federal technology to businesses in those States.
9.	Clearinghouse (sec. 4102)	No equivalent provisions.	No provisions.	Amends the Stevenson-Wydler Technology Innovation Act of 1980 by adding a new section 6 to establish, within the Office of the Secretary of Commerce, a Clearinghouse on State and Local Initiatives on Productivity, Technology, and Innovation, a central repository of information on these progams.

ADVANCED TECHNOLOGY PROGRAM
(SECTION 4201 OF SENATE AMENDMENT)

10. Advanced Technology Program (sec. 4201)	No equivalent provisions.	No provisions.	Amends the Stevenson-Wydler Technology Innovation Act of 1980 by adding new section 7 directing the Secretary of Commerce, through the Director, to establish an Advanced Technology Program for the purpose of assisting U.S. industry to create the generic technology to commercialize discoveries and improve manufacturing. The Secretary may encourage multi-company joint research ventures, financially assist them under some conditions, and contract with small U.S. firms. Limitations and conditions are defined.

REPORT ON SEMICONDUCTORS, SUPERCONDUCTORS, AND ADVANCED MANUFACTURING TECHNOLOGY
(SECTIONS 4301-4303 OF SENATE AMENDMENT)

11. Report of President (sec. 4301)	No provisions.	No provisions.	The President shall, with the FY 1989 request, submit a report on his policies and budget proposals regarding semiconductors, fiber optics, superconducting materials, and advanced manufacturing technologies.
12. Semiconductor study (sec. 4302)	No provisions.	No provisions.	The Secretary of Commerce shall contract with the National Academies of Engineering and Sciences for a review of U.S. semiconductor technology policy.
13. Superconductor study (sec. 4303)	No provisions.	No provisions.	The Secretary of Commerce shall contract with the National Academies of Engineering and Sciences for a review of issues regarding commercial and national security applications of superconductors.

AUTHORIZATIONS OF APPROPRIATIONS FOR TECHNOLOGY ACTIVITIES
(SECTIONS 4401-4402 OF SENATE AMENDMENT)

14. Authorization for Institute (sec. 4401)	FY 1987 appropriation for the National Bureau of Standards is $122 million.	No provision. (NOTE: H.R. 2160, as passed by the House, would reauthorize NBS programs for FY 1988.)	Authorizes FY 1988 appropriations for the National Institute of Technology at level of $170 million (including pay raise). (Under Senate amendment, Manufacturing Centers are authorized for FY 1988-1990 at $18 million, $30 million, and $42 million; the Pilot State Technology Extension Program is authorized at $2 million per year for FY 1988-1990.)
15. Authorization for other programs (sec. 4402)	The FY 1987 NBS Authorization Act also reauthorizes the Office of Productivity, Technology, and Innovation and NTIS' Patent Licensing Program. The Japanese Technical Literature Act of 1986 authorizes the new Japanese technical literature program.	No provisions. (NOTE: Again, see H.R. 2160.)	Provides these FY 1988 authorizations: Office of Productivity, Technology, and Innovation ($2.4 million); Japanese Technical Literature Program ($2 million); Patent Licensing Program ($500,000); Advanced Technology Program ($15 million). Also authorizes new Clearinghouse on State and Local Initiatives at $1 million for FY 1988, $1.5 million for FY 1989, and $2.0 million for FY 1990.

MISCELLANEOUS TECHNOLOGY AND COMMERCE PROVISIONS
(SECTIONS 4503-4505 OF SENATE AMENDMENT)

16. Savings provision (sec. 4503)	No provisions.	No provisions.	Further amends the Act by adding new section 25, which "saves" all NBS rules, contracts, and other actions in effect at date of enactment of this section.
17. Technical amendments (sec. 4504)	Stevenson-Wydler Technology Innovation Act.	No provisions.	Makes technical amendments in Stevenson-Wydler Act to reflect change from NBS to National Institute of Technology.
18. Further NIT/DOC provisions (sec. 4505)	The requirements and restrictions set forth in the Senate amendment do not now exist.	No provisions. (NOTE: Again, however, see H.R. 2160.)	Five further provisions: NIT shall not charge fees to research associates unless authorized. The NIT Board of Assessment shall review emerging technologies and related role of NIT. NIT Director shall prepare a plan to help small businesses. No National Technical Information Service (NITS) activities shall be contracted out without statutory authority; the Secretary shall submit recommendations on NTIS. DOC shall establish a Commerce, Science, and Technology Fellowship Program.

RESOLUTION REGARDING METRIC SYSTEM
(SECTION 4902 OF SENATE AMENDMENT)

19. Metric system (sec. 4902)	Metric Conversion Act of 1975 declares that U.S. policy is to encourage voluntary conversion to metric system. Currently the Commerce Department maintains an Office of Metric Programs to supply information.	(NOTE: See H.R. 2916 for corresponding House provision.)	The section reaffirms the national policy set forth in the Metric Conversion Act and calls for efforts to speed conversion to the metric system as a means of reducing the U.S. trade deficit.

SUBCONFERENCE #10
GOVERNMENT PROCUREMENT

TABLE OF CONTENTS

		Page
1.	Sections of House Bill and Senate Amendment included in Subconference #10	421
2.	Conferees of the House and Senate and Sections for which they are appointed	422
3.	Comparison of House and Senate Provisions with Present Law	423

77-750 0 - 87 - 36

SECTIONS OF HOUSE BILL AND SENATE AMENDMENT INCLUDED IN SUBCONFERENCE #10 -- GOVERNMENT PROCUREMENT

House bill

Title X (Secs. 1001-1004)

Senate amendment

No provisions

CONFEREES OF THE HOUSE AND SENATE AND SECTIONS FOR WHICH THEY ARE APPOINTED

Sections	House Conferees		Senate Conferees	
Title X (Sections 1001-1004) of House bill	Government Operations (5-3)		Governmental Affairs (3-2)	
	Brooks	Horton	Glenn	Roth
	Conyers	Walker	Chiles	Stevens
	Neal	Clinger	Ringaman	
	Frank			
	Wise			
	Ways and Means (4-2)			
	Rostenkowski	Crane		
	Gibbons	Frenzel		
	Gephardt			
	Guarini			

COMPARISON OF HOUSE AND SENATE PROVISIONS WITH PRESENT LAW

BUY AMERICAN ACT OF 1987
(SECTIONS 1001-1004 OF HOUSE BILL)

Item	Present Law	House Bill	Senate Amendment
1. Short title (sec. 1001 of House bill).	No provision.	Buy American Act of 1987.	No provision.
2. Amendments to the Buy American Act (sec. 1002 of the House bill).	Title III of the Act of March 3, 1933 (the Buy American Act) requires the Federal Government to buy domestic products unless such purchases are inconsistent with the public interest or their costs are unreasonable. Regulations apply a 6 percent price differential in favor of domestic sources (12 percent if a small business or labor surplus area is involved) and a 50 percent differential for Department of Defense procurement or for use outside the United States. These discriminatory price differentials may be waived under section 301(a) of the Trade Agreements Act of 1979 for articles covered by the GATT Agreement on Government Procurement from signatory countries, and do not apply to Defense procurement from allies covered by Memoranda of Understanding.The House bill retains this language and adds a new section to the 1933 Act as described below.	No provision.	

Item	Present Law	House Bill	Senate Amendment
a. Procurement prohibition.	No provision, except section 302 of the Trade Agreements Act of 1979 prohibits U.S. Government procurement of articles covered by the GATT Agreement on Government Procurement from non-signatory countries, subject to waiver in certain circumstances.	Prohibits Federal agencies from procuring goods produced in foreign countries whose governments discriminate in awarding contracts against U.S. products or services. Such countries would be identified in an annual report required by sec. 1003 of this bill. The prohibition requirements do not apply to signatory countries in "good standing" to the international Agreement on Government Procurement and not subject to revocation of waivers as determined by sec. 1003 of this bill. Suppliers offering goods produced in countries that do not discriminate against U.S. goods and services would continue to sell to the Federal Government in accordance with the provisions of Title III of the Act of March 3, 1933 (the Buy American Act with existing price differentials) and Title III of the Trade Agreements Act of 1979 (implementing law for the international Agreement on Government Procurement). Such countries would continue to be subject to Buy American preferences for procurement of goods not covered by the agreement.	No provision.

Item	Present Law	House Bill	Senate Amendment
b. Rule of Origin.	Defines U.S.-made products as those manufactured in the United States substantially all from articles, materials, or supplies mined, produced, or manufactured, as the case may be, in the United States. Under current regulatory guidelines, "substantially all" has been defined to mean that more than 50 percent of the component costs of a product has been incurred in the United States.	Similar to current law, except research and development will be included as part of the cost in determining a products origin. Essentially, goods would be treated as U.S.-made when (1) they have been assembled or manufactured in the United States and (2) substantially all of the total cost (including components, indirect costs, research, development, and labor) of the product has been incurred in the United States.	No provision.
c. Exceptions to the procurement prohibition.	No provision.	Authorizes Federal agencies, notwithstanding the prohibition requirements of this section, to purchase goods produced in a least developed country, as the term is defined in Section 308(6) of Title III of the Trade Agreements Act of 1979. Authorizes the President or the head of a Federal agency, notwithstanding the prohibition requirements of this section, to award contracts or classes of contracts to suppliers offering goods produced in countries whose governments have been identified as discriminatory against U.S. goods or services if (1) they determine that such action is necessary in the public interest or to avoid the creation of a monopoly for a single manufacturer or supplier, and (2) the Congress is notified of such determination not less than 30 days prior to awarding the contract or the date of authorization of the award of a class of contracts.	No provision.

Item	Present Law	House Bill	Senate Amendment
(c. Exceptions to the procurement prohibition cont.)		In no case shall Federal agencies deny the award of a contract or contracts for products from a discriminatory country when such denial would (1) limit the procurement in question to the products of a single supplier, or (2) establish a preference for the products of a single supplier. The authority of the heads of Federal agencies to make exceptions to the procurement prohibitions and provide notices to the Congress may not be delegated. Further, in the case of procurements awarded under authority of Defense Department Memorandums of Understanding with foreign governments, only the President or the United States Trade Representative may make the determinations and provide notices to the Congress necessary to waive the prohibition requirements against countries identified as discriminatory.	

Item	Present Law	House Bill	Senate Amendment
3. Consideration of compliance with the Government Procurement Agreement in extending benefits (sec. 1003 of the House bill).	Title III of the Trade Agreements Act of 1979 (P.L. 96-39) made changes in U.S. law required to implement the international Agreement on Government Procurement. The Act (1) permits the President to waive the Buy American Act price differentials for procurements covered by the Agreement, (2) specifies four circumstances in which the President can designate a foreign country as eligible for a waiver, and (3) prohibits countries without waivers from participating in procurements covered by the Agreement.	The House bill retains this language and adds 5 new subsections to section 305 of the 1979 Act.	No provision.
a. Annual report on foreign compliance.			
a.1. Submission and purpose.	No provision.	Requires the President to submit to Congress no later than December 31, 1988, and annually thereafter a report on the extent to which foreign countries, whose products are acquired by the U.S. Government discriminate against U.S. products or services in their procurement. The President must identify in the report (1) the signatory countries which are not in compliance with the Government Procurement Agreement, and (2) the non-signatory foreign countries, except least developed countries, which discriminate against U.S. products or services.	No provision.

Item	Present Law	House Bill	Senate Amendment
a.2. Contents of annual report.	No provision.	Requires that the annual report include (but not be limited to) an evaluation of whether and to what extent foreign governments use certain discriminatory procurement practices. The provision identifies practices, based on requirements in the Agreement as guidelines, which would constitute discrimination against U.S. goods and services by other countries.	No provision.
a.3. Advice from government agencies and U.S. businesses.	No Provision.	Requires the President, in preparing the annual report, to seek the advice of the Secretary of Commerce, U.S. Trade Representative, and representatives of U.S. businesses.	No provision.
a.4. Impact of non-compliance on U.S. commerce.	No provision.	Requires the President, in preparing the annual report, to take into account (1) the relative impact of any noncompliance with the Agreement or other discrimination by nonsignatories on U.S. commerce, and (2) the extent to which such noncompliance or discrimination has impeded the ability of United States suppliers to participate in procurements covered by the Agreement.	No provision.
a.5. Impact on procurement costs.	No provision.	Requires that the annual report include an analysis of the impact on Federal procurement costs that may occur as a consequence of waiver revocations or prohibiting the purchase of products from a country identified as discriminatory against U.S. goods or services.	No provision.

Item	Present Law	House Bill	Senate Amendment
b. Use of dispute settlement procedures.			
b.1. Initiation of consultations.	No provision.	Requires the President to, within 60 days, initiate consultations in accordance with the Government Procurement Agreement's dispute settlement procedures to correct any problems with compliance by signatory countries to the Agreement identified in the annual report.	No provision.
b.2. Waiver revocation.	No provision.	Requires that, when a dispute settlement procedure initiated under this section is not concluded within one year or has concluded and the other participant has not taken action required as a result of the procedures to the satisfaction of the President, the President shall revoke the waiver granted under section 301(a) of the Trade Agreements Act of 1979. However, if the President determines that such action would harm the U.S. public interest, he may withhold revocation, but shall take other action within his authority, consistent with the Buy American Act and full and open competition, to impose appropriate and equivalent limitations on U.S. government procurements of products and suppliers of that country.	No provision.

Item	Present Law	House Bill	Senate Amendment
(b.2. Waiver revocation cont.)		The President cannot reduce or modify a waiver that would limit procurement to, or create a preference for, products or services of a single supplier. In taking any action to limit procurements, the President must seek advice by executive agencies through the Trade Policy Committee and by U.S. businesses and other interested parties.	
b.3. Dispute settlement; reinstatement of waivers.	No provision.	If, before the end of the year following initiation of dispute settlement, (1) the other participant has eliminated the discriminatory practice to the satisfaction of the President; (2) the other participant has taken action recommended as a result of the procedures to the satisfaction of the President; or (3) the procedures result in a determination requiring no action by the other participant, the President shall take no action to limit procurement from that participant. He may reinstate a revoked or modified waiver if the participant subsequently takes such action or a determination requires no action.	No provision.
c. Discrimination by a nonsignatory country.	No provision.	If the President determines that the prohibition of procurement from a nonsignatory country would harm the public interest of the United States, he must identify the country in question as discriminatory but impose appropriate and equivalent limitations on procurement in lieu of a total prohibition, subject to the same requirements as under item b.2.	No provision.

Item	Present Law	House Bill	Senate Amendment
d. Renegotiation to secure full and open competition.	No provision.	Requires the U.S. Trade Representative, in conducting renegotiations of the international Agreement on Government Procurement, to seek improvements that would secure full and open competition consistent with the requirements imposed by amendments made by the Competition in Contracting Act of 1984.	No provision.
e. General report to Congress.	No provision.	Requires the President to advise the Congress, as necessary, and to submit to Congress December 31, 1993, a general report on actions taken under this section and an evaluation of progress by foreign countries toward eliminating discriminatory government procurement practices.	No provision.
4. Conforming amendments (sec. 1004 of the House bill).			
a. Definition of Federal agency.	No provision.	Amends the first section of the Act of March 3, 1933 (the Buy American Act) by including the term "Federal agency" as currently defined in the Federal Property and Administrative Services Act of 1949.	No provision.

Item	Present Law	House Bill	Senate Amendment
b. Amendments to Sections 2 and 3.	See item 2.b.	Conforms sections 2 and 3 of the Act of March 3, 1933 (the Buy American Act) to current Federal procurement law by replacing the terms "department or independent establishment" and "department, bureau, agency or independent establishment" everywhere they appear with the term "Federal agency." Also amends the original Buy American Act language concerning "rule of origin" of products to conform with the language contained in sec. 1002 of this bill.	No provision.

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SUBCONFERENCE #11
PATENT LAW

TABLE OF CONTENTS

		Page
1.	Sections of House Bill and Senate Amendment included in Subconference #11	434
2.	Conferees of the House and Senate and Section for which they are appointed	435
3.	Comparison of House and Senate Provisions with Present Law	436
	A. Process patent	436
	B. Patent misuse doctrine reform	440
	C. Licensee challenges to patent validity	440
	D. Pharmaceutical Patent Term Restoration Act	441
	E. Patent Law Foreign Filing Amendments Act	441

SECTIONS OF HOUSE BILL AND SENATE AMENDMENT INCLUDED IN SUBCONFERENCE #11 -- PATENT LAW

House bill

Title XIV

Senate amendment

Titles XXXIII-XXVI

CONFEREES OF THE HOUSE AND SENATE AND SECTIONS
FOR WHICH THEY ARE APPOINTED

Sections	House Conferees		Senate Conferees	
Title XIV (Sections 1401-1407) of House bill; Titles XXXIII through XXXVI (Sections 3301-3602) of Senate amendment	Judiciary (6-4)		Judiciary (2-1)	
	Rodino	Fish	DeConcini	Hatch
	Kastenmeier	Moorhead	Leahy	
	Edwards (CA)	Hyde		
	Hughes	Lungren		
	Schroeder			
	Crockett			

COMPARISON OF HOUSE AND SENATE PROVISIONS WITH PRESENT LAW

PROCESS PATENT

Item	Present Law	House Bill	Senate Amendment
1. Rights of Patent Owners Sec. 1402 of House Bill; Sec. 3301 of Senate Amendment	Title 35 grants process patent owners the right to exclude others from practicing the process in the United States	Amends Title 35 to provide that issuance of a process patent includes the right to exclude others from using or selling in the U.S., or importing into the U.S. products made by that process.	Same.
2. Infringement Liability Sec. 1403 of House Bill Sec. 3302 of Senate Amendment	No comparable provision	Provides that using, selling or importing a product made in violation of a U.S. process patent is an act of patent infringement	Same.
		Limits remedies against mere users or retailers by requiring exhaustion of remedies against importers and non-retailer sellers.	Same, except users are defined to be non-commercial. House reaches this result in the Committee Report (p. 15).
		Liability further limited by excluding products which have been materially changed by subsequent processes or if the product is a minor or non-essential component of another product.	Same, except trivial and is substituted for minor or.

Item	Present Law	House Bill	Senate Amendment
3. Limitation on Damages Sec. 1404 of House Bill Sec. 3303 of Senate Amendment	No provision	Limitations do not apply to those who practice the process or who knew about the infringement before the fact.	Same.
		No remedies against products in possession or in transit at the time of notice.	Same, except exemption also applies to goods for which a party has made a binding commitment and such goods have been at least partially manufactured at the time of notice. Burden of proof is on the party seeking exemption.
		Court shall consider the good faith of the infringer and the rights of the patent owner.	Same, except court shall consider the patent owner's compliance with the request for disclosure procedure.
		No provision	Request for disclosure Patent owners may be asked by importer to identify all process patents owned or licensed by that person which would be reasonably asserted as grounds for infringement.

Item	Present Law	House Bill	Senate Amendment
	No provision	No provision	Patent owners must respond within 60 days. The requester of such information must agree to pass it along to manufacturers or supplier with a request for a written statement that such protected processes are not used. Failure by either party to meet these obligations to be considered in <u>good</u> faith.
		The notice that triggers infringement liability consists of: (1) actual knowledge; or (2) notice of a <u>substantial likelihood</u> that the product was made by an infringing process. If a party has an excessive inventory, actual notice or knowledge is rebutably presumed.	Notice of infringement is actual knowldege or written notification or combination thereof of information <u>sufficient to persuade a reasonable person it is likely</u> that a product was made by an infringing process. Details required for written notification spelled out; receipt of the written notification absent mitigating circumstances, is deemed notice of infringement if the manufacturer/supplier is not contacted.

Item	Present Law		Senate Amendment
4. Presumption of Infringement Sec. 1405 of House Bill Sec. 3304 of Senate Amendment	No provision	If the court finds there substantial likelihood that the product was made in violation of the process patent <u>and</u> claimant has made a reasonable effort to determine the process used, then there is a rebuttable presumption that the product has been made in violation of the process patent.	Same.
5. Effective Date Sec. 1406 of House Bill Sec. 3305 of Senate Amendment		Generally applies only to products made or imported after the date of enactment.	Same.
		<u>Exception</u> for persons in business using, selling or importing goods already in production on Jan.1, 1987.	Same, except date is May 15, 1987. <u>Exception</u> does <u>not</u> apply to parties with certain earlier ITC cases.
		Other remedies not affected.	Same.
6. Reports to Congress Sec. 1407 of House Bill Sec. 3306 of Senate Amendment		Reports on effect of legislation to be submitted by Secretary of Commerce.	Same.

PATENT MISUSE DOCTRINE REFORM

Item	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
7. Infringement of Patents Sec. 3401 of Senate Amendment	Patent misuse is a common law doctrine that has its roots in the equitable doctrine of unclean hands. Section 271 of Title 35, U.S. Code, provides that certain narrowly described activities of a patent owner shall not be considered patent misuse. Although some misuses of patents may constitute antitrust violations, others do not.	No provisions	Amends Title 35 to provide that a patent owner's licensing practices will not constitute patent misuse unless they violate the antitrust laws.

LICENSEE CHALLENGES TO PATENT VALIDITY

8. Licensee Challenges Sec. 3501 of Senate Amendment	Title 35 does not cover the rights of licensees and licensors in a patent license agreement where the validity of the patent is challenged in litigation. However, in 1969, the U.S. Supreme Court ruled in Lear v. Adkins that a licensee can challenge the validity of a patent, without giving up the benefits of the license during the challenge.	No provisions	Amends Title 35 to provide that a licensee may challenge the validity of the licensed patent irrespective of an agreement between the parties barring such challenge. Also provides that the parties to a licensing contract may define their respective rights regarding the termination of a license and payment of royalties if the validity of the licensed patent is challenged.

PHARMACEUTICAL PATENT TERM RESTORATION ACT AMENDMENTS

Item	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
9. Pharmaceutical Patent Sec. 3601 of Senate Amendment	None	No Provisions	Amends Title 35 to extend the patent on the pharmaceutical product gemfibrozil ("Lopid") for a period of five years.

PATENT LAW FOREIGN FILING AMENDMENTS ACT

10. Increased Effectiveness of Patent Law Sec. 3602 of Senate Amendment	35 U.S.C. 184 provides that one who files for a patent must wait six months before filing for a patent in any foreign country. The waiting period permits the U.S. Patent Office to determine if the application contains the information important to our national security.	No provisions (In the 98th Congress, the House passed a measure substantially the same as the Senate bill. It was reported from the Courts Subcommittee as H.R. 4524 and passed by the House as a section of H.R. 6286)	Unchanged by Senate Amendment.

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
Increased Effectiveness of Patent Law (continued)	An inventor may procure a license that permits earlier foreign filing, and may be granted a retroactive license if he "inadvertently" filed and did not compromise national security. Courts have interpreted "inadvertently" narrowly.		The Senate Amendment strikes "inadvertently" to extend a retroactive license if one is untimely "through error and without deceptive intent," a well-established patent principle. One will not receive a retroactive license if he disclosed national security information.
	No foreign application may contain <u>any</u> information that was not in the U.S. application. One needs a license before providing any additional information whatsoever.		This measure would permit an applicant to file "modifications, amendments and supplements containing additional subject matter," with a foreign patent office without procuring a special license. One could not provide such additional subject matter if it changed the nature of the invention or disclosed national security information.
	<u>Penalty</u> An inventor can lose U.S. patent protection if he provides additional information without a license or files an untimely application.		

SUBCONFERENCE #12
SMALL BUSINESS

TABLE OF CONTENTS

		Page
1.	Sections of House Bill and Senate Amendment included in Subconference #12	444
2.	Conferees of the House and Senate and Sections for which they are appointed	445
3.	Comparison of House and Senate Provisions with Present Law	447

SECTIONS OF HOUSE BILL AND SENATE AMENDMENT INCLUDED IN SUBCONFERENCE #12 -- SMALL BUSINESS

House bill

Title XIII (Secs. 1301-1312)
Sec. 186

Senate amendment

Title XXXIX
Title XXXVII

CONFEREES OF THE HOUSE AND SENATE AND SECTIONS FOR WHICH THEY ARE APPOINTED

Sections	House Conferees	Senate Conferees
Title XIII (Sections 1301-1312) of House bill; Title XXXIX (Sections 3901-3912) of Senate amendment	Small Business (5-3) LaFalce, McDade Smith (IA), Ireland Skelton, Conte Mavroules Bilbray	Small Business (2-1) Rumpers, Weicker Sasser
Sections 1303-1306, 1310 of House bill; Sections 3902-3907, 3910, 3912 of Senate amendment	Foreign Affairs (3-2) Bonker, Roth Bilbray, Broomfield Berman	
Section 1303 of House bill	Banking, Finance, and Urban Affairs (3-2) Oakar, Leach (IA) Fauntroy, McMillan (NC) Garcia	
Sections 3903 and 3906 of Senate amendment	Banking, Finance, and Urban Affairs (3-2) St Germain, Wylie Fauntroy, Bereuter Garcia	
Section 3909 of Senate amendment	Science, Space, and Technology (3-2) Roe, Lujan Walgren, Boehlert Brown (CA)	

Sections	House Conferees		Senate Conferees	
Section 3911 of Senate amendment	Ways and Means (4-2)			
	Rostenkowski	Crane		
	Gibbons	Frenzel		
	Gephardt			
	Guarini			
Section 186 of House bill	Ways and Means (9-5)		Governmental Affairs (3-2)	
	Rostenkowski	Duncan	Glenn	Roth
	Gibbons	Archer	Chiles	Stevens
	Jenkins	Vander Jagt	Bingaman	
	Downey (NY)	Crane		
	Pease	Frenzel		
	Russo			
	Gephardt			
	Guarini			
	Matsui			
Title XXXVII (Section 3701) of Senate amendment	Ways and Means (6-3)			
	Rostenkowski	Crane		
	Gibbons	Frenzel		
	Jenkins	Schulze		
	Downey (NY)			
	Pease			
	Russo			
Section 186 of House bill; Title XXXVII (Section 3701) of Senate amendment	Small Business (5-3)			
	LaFalce	McDade		
	Smith (IA)	Ireland		
	Skelton	Conte		
	Mavroules			
	Bilbray			

COMPARISON OF HOUSE AND SENATE PROVISIONS WITH PRESENT LAW

Item	Present Law	House Bill	Senate Amendment
1. Short Title. (Title XIII, sec. 1301 of House bill; Title XXXIX, sec. 3901 of Senate amendment)		Small Business Trade Competitiveness and Innovation Act	Small Business International Trade and Competition Enhancement Act
2. Declaration of Policy. (sec. 1302 of House bill; sec. 3902 of Senate amendment)	Both the House bill and Senate amendment amend section 2 of the Small Business Act (15 U.S.C. 631) which establishes the policies of Congress that the Small Business Administration (SBA) are to implement.	Establishes that it is the policy of Congress that the Federal Government, through the SBA, should assist small businesses to improve their ability to compete in international markets by: (1) enhancing their ability to export; (2) facilitating technology transfers; (3) enhancing their ability to compete against imports; and (4) increasing their access to long-term capital.	Same, with the addition of: (5) disseminating information on State, Federal, and private programs designed to enhance the ability of small business to compete in international markets; and (6) ensuring that small business interests are represented in international trade negotiations. Also adds another provision which states that the Congress recognizes that the Department of Commerce is the principal agency for trade development and export promotion, and that SBA and the Department of Commerce are to work together to advance, not alter, their respective roles in trade- related activities.

Item	Present Law	House Bill	Senate Amendment
3. Changes in Existing SBA International Trade Office. (sec. 1303 of House bill; sec. 3903 of Senate amendment)	Both the House bill and Senate amendment amend section 22 of the Small Business Act (15 U.S.C. 649) which establishes an Office of International Trade in SBA to promote sales opportunities for U.S. small business goods and services in foreign countries.	The Office of International Trade is required to work with the Department of Commerce and other relevant public and private organizations and the Small Business Development Center (SBDC) network, to (1) develop a distribution network for existing trade-related programs and (2) aggressively market those programs and provide marketing information.	Same except replaces the term "Small Business Development Centers" as used in the House version with a new term, "Small Business Export Assistance Centers". Small Business Export Assistance Centers (SBEACs) are created in the Senate amendment under section 3907(c). (1) Same. (2) Same.
3(a). Changes in Existing SBA International Trade Office. (sec. 1303 of House bill; sec. 3903 of Senate amendment)		The Office of International Trade is required to assume additional functions including: (1) working with the Department of Commerce and other relevant public and private organizations to (a) identify sub-sectors of the small business community with strong export potential; (b) identify areas of demand in foreign markets; (c) prescreen foreign buyers for commercial and credit purposes; (d) disseminate information on marketing leads, linking potential buyers and sellers and catalyzing the information of joint ventures;	(1) Same. (a) Same. (b) Same. (c) Deleted. (d) Same, except deletes the requirement of catalyzing the information of joint ventures.

Item	Present Law	House Bill	Senate Amendment
3(a). continued.		(2) work with the Department of Commerce to develop export trading companies, export management companies and research and development pools;	(2) Same.
		(3) establish a pilot program to: (a) identify translation services; (b) identify multilingual SBA employees; and (c) establish a full-time SBA position with responsibility for translating documents submitted by a small business and accompanying trade missions;	(3) Does not establish a pilot program. (a) Does require the identification of translation services. (b) Deleted. (c) Deleted.
		(4) work with the Department of Commerce to: (a) develop a mechanism for the collection and dissemination of information on the small business share of U.S. exports, and the nature of State exports; (b) make recommendations to the Secretary of Commerce on SIC code revisions; (c) improve the utility and access of existing export promotion programs for small businesses; and (d) increase access to the Export Trading Company facilitating service;	(4) Same. (a) Does not require the development of a mechanism for the collection of such information, but requires that such information be disseminated. (b) Same. (c) Same. (d) Same.

Item	Present Law	House Bill	Senate Amendment
3(a). continued.		(5) make available information on public and private conferences on small business issues, including international conferences;	(5) Same except there is no specific mention that information on both public and private conferences must be disseminated.
		(6) work with the Export-Import Bank and other relevant public and private organizations to: (a) aggressively market existing SBA export financing programs; (b) aggressively market various Export-Import Bank programs; (c) assist in the development of financial intermediaries and facilitate the access of those intermediaries to existing financing programs; (d) promote greater participation by private financial institutions in export finance; and (e) provide appropriate SBA employees with training in Export-Import Bank programs;	(6) Same, with the additional requirement that SBA facilitate small businesses access to private sector sources of financing as well as to existing financing programs. (a) Same. (b) Same. (c) Same. (d) Same. (e) Same.
		(7) establish a Trade Assistance Division to: (a) assist small businesses to prepare for trade remedy proceedings; (b) assist small business to collect appropriate data for trade remedy proceedings; (c) work with the Department of Commerce, the USTR, and the ITC, to increase and facilitate access to trade remedy proceedings for small businesses; and	(7) Does not establish a Trade Assistance Division. Does require the Office of International Trade to work with Federal agencies and the private sector to counsel small businesses on initiating and participating in trade remedy proceedings and to work with the Department of Commerce, the USTR, and the ITC to increase access to trade

Item	Present Law	House Bill	Senate Amendment
3(a). continued.			remedy proceedings for small businesses. (a) Deleted. (b) Deleted. (c) Limited to increasing access to trade remedy proceedings. Deletes the requirement to facilitate such access.
		(8) report semiannually to Congress on the progress of the International Trade Office in implementing its new mandates.	(8) Annual report required on April 1.
4. Authorization for Office of International Trade. (sec. 3904 of Senate amendment)	The Senate amendment amends section 20 of the Small Business Act (15 U.S.C. 631) which authorizes appropriations for SBA programs.	No similar provision.	Authorizes $3,500,000 for FY 1988.
5. Specific Reports Required. (sec. 1304 of House bill; sec. 3905 of Senate amendment)	The House bill and Senate amendment do not amend existing law. However, current law does establish an Office of Advocacy within SBA to study small business (15 U.S.C. 634), and current law does require that the President report annually to Congress on small business and competition (15 U.S.C. 634).	Requires the Office of International Trade, in cooperation with other SBA offices and Federal agencies, to undertake the following studies and report to Congress with recommendations within six months from the date of enactment: (1) the feasibility of developing a competitive export incentive program similar to the Small Business Innovation Research Program; (2) methods for streamlining trade remedy	Same requirement for studies within six months from the date of enactment. (1) Same. (2) Same. Reports (3),(4),(5),(6),and (7) deleted. (8) A report on methods for streamlining export licensing procedures is added.

Item	Present Law	House Bill	Senate Amendment
5. continued.		proceedings for small businesses; (3) methods for improving the current foreign sales corporation tax incentives for small businesses; (4) the effects of State tax systems on the international competitiveness and export potential of small businesses; (5) methods for ensuring greater small business represenation at the GATT negotiations and the advisability of a Small Business Advisor within the Office of the USTR; (6) the amount, dollar value, and type of goods and service imported by U.S. trading partners over the past ten years and methods for identfying potential U.S. export markets, maintaining current foreign market data, and developing an export marketing strategy for small businesses; and (7) a survey of foreign country policies and efforts designed to encourage the formation and growth of small business.	

Item	Present Law	House Bill	Senate Amendment
6. Export Financing Provided By SBA. (sec. 1305 of House bill; sec. 3906 of Senate amendment)	Both the House bill and Senate amendment amend section 7(a)(14) of the Small Business Act (15 U.S.C. 636(a)(14)) which enables SBA to provide revolving lines of credit for up to 18 months for export purposes.	Authorizes SBA to extend credit to small businesses and to small business export trading and export management companies, to develop foreign markets. Extends loan period from 18 months to up to three years. Requires that in considerations of loan or guarantee applications, weight be given to firms that would generate export-related benefits.	Same, except does not increase the credit period past the current 18 month limit.
7. Small Business Development Centers. (sec. 1306 of House bill) Small Business Export Assistance Centers. (sec. 3907 of Senate amendment)	Both the House bill and Senate amendment amend section 21 of the Small Business Act (15 U.S.C. 648) which creates the Small Business Development Center Program.	Small Business Development Centers (SBDCs).	Small Business Export Assistance Centers (SBEACs).
7(a). SBDCs/SBEACs. (sec. 1306(a) of House bill; sec. 3907(a) of Senate amendment)	Both the House bill and Senate amendment amend section 20 of the Small Business Act (15 U.S.C. 631) which authorizes appropriations for SBA programs.	(1) Authorizes $5,000,000 for FY 1988.	(1) Authorizes $5,000,000 for FY 1988; $10,000,000 for FY 1989; and $10,000,000 for FY 1990.
7(b). SBDCs/SBEACs continued. SBDCs Information Dissemination and Service Delivery. (sec. 1306(b)(1) and (2) of House bill; sec. 3907(b)(1) and (2) of Senate amendment)		(2) Expands the mandate of the SBDCs to: (a) provide management and technical assistance to small businesses for export promotion and technology transfer, and	(2) Same, but adds that an SBDC shall not establish a separate SBEAC facility, as described under section 3907(c) of the Senate amendment, if the SBDC

Item	Present Law	House Bill	Senate Amendment
		(b) act as a service delivery mechanism for international trade related programs. Encourages the establishment of a toll-free telephone number for greater access to trade-related assistance.	can effectively implement the provisions of section 24 of the Small Business Act which is created in the Senate amendment. Those provisions include providing assistance to small businesses interested in international trade with emphasis on encouraging them to participate in international trade; providing technology transfers for increased productivity; and providing assistance in marketing products abroad. Also, deletes the mention of a toll-free telephone service.
7(c). SBDCs/SBEACs continued. (sec. 1306(b)(3) of House bill; sec. 3907(b)(3) of Senate amendment)		(3) Allows additional grants to SBDCs to be used soley for export enhancement and technology transfer purposes. Limits such grants to its pro rata share of a $15,000,000 program or $100,000, whichever is greater.	(3) Allows additional SBDC grants to be used soley for new or increased activities which enhance exports, transfer technology, and assist in information dissemination and service delivery. Limits such grants under section 3907 (c) of the Senate amendment.
(d). SBDCs/SBEACs ontinued. (sec. 907(c), Increasing Small usiness Participation in nternational Markets, f Senate amendment)	The Senate amendment adds a new subsection 24(a) to the Small Business Act.	No similar provision.	(a) Allows SBA to grant funds for the establishment of Small Business Export Assistance Centers. Limits grants at a ceiling of an applicants pro rata share of a $10,000,000 program and a floor of $50,000.

Item	Present Law	House Bill	Senate Amendment
7(e). SBDCs/SBEACs continued. (sec. 1306(b)(4) of House bill; sec. 3907(c) of Senate amendment)	The House bill amends section 21 of the Small Business Act. The Senate amendment adds a new subsection 24(b) to the Small Business Act.	(4) SBDCs are to assist in technology transfer, and may: (a) work to increase access of small businesses to automated flexible manufacturing systems; (b) work to develop small business and academic community partnerships; and (c) explore the viability of shared production facilities when appropriate.	(b) SBEACs are to: (I) encourage small businesses to participate in international trade; (II) provide technology transfers; and (III) provide assistance in the foreign marketing of goods. (4) a,b, and c are deleted.
7(f). SBDCs/SBEACs continued. (sec. 3907(c), of Senate amendment)	The Senate amendment adds a new subsection 24(c) to the Small Business Act.	No similar provision. But under section 1306(b)(3) of the House bill, existing SBDC fund matching requirements are maintained.	(c) Any SBEAC applicant must provide additional matching funds in the first year equal to 25 percent of their SBA grant, 40 percent in the second year, and 50 percent in each year thereafter. The additional funds must include a cash amount equal to 25 percent of the grant.
7(g). SBDCs/SBEACs continued. (sec. 3907(c) of Senate amendment)	The Senate amendment adds a new subsection 24(d) to the Small Business Act.	No similar provision.	(d) Establishes an advisory committee, consisting of three persons from SBA and two SBDC directors, which is responsible for creating guidelines for the evaluation of proposals for SBDC and SBEAC grants.

Item	Present Law	House Bill	Senate Amendment
7(h). SBDCs/SBEACs continued. (sec. 3907(c) of Senate amendment)	The Senate amendment adds a new subsection 24(f) to the Small Business Act.	No similar provision.	(e) Requires detailed proposals with timetables for implementation to be submitted for SBDC or SBEAC funding.
7(i). SBDCs/SBEACs continued. (sec. 1306(b)(5) of the House bill; sec. 3907(c) of the Senate amendment)	The House bill amends section 21 of the Small Business Act. The Senate amendment adds a new subsection 24(g) to the Small Business Act.	(5) SBDCs are to work with the Department of Commerce and other relevant agencies to: (a) identify potential export markets; (b) facilitate export transactions; (c) develop linkages between U.S. small businesses and prescreened foreign buyers; (d) assisting small businesses participate in international trade shows; and (e) assisting small businesses obtain export financing and develop marketing and production strategies. (6) SBDCs are to assist small businesses develop marketing and production strategies that will enable them to better compete in the domestic market. (7) SBDCs are to work with the Export-Import Bank and other SBA offices to serve as a distribution network for export financing programs.	(f) Proposals for funding may include, but are not limited to (5) -- except that the term "prescreened" in 5(c) is deleted -- and (7). (6) and (8) are deleted.

77-750 O - 87 - 39

Item	Present Law	House Bill	Senate Amendment
		(8) SBDCs are to work with State agencies and other public and private groups to make translation services more readily available to small businesses.	
7(j). SBDCs/SBEACs continued. (sec. 3907(c) of Senate amendment)	The Senate amendment adds a new subsection 24(h) to the Small Business Act.	No similar provision.	(g) The advisory committee established under subsection 24(d) is required to review each funded program annually.
7(k). SBDCs/SBEACs continued. (sec. 3907(c) of Senate amendment)	The Senate amendment adds a new subsection 24(i) to the Small Business Act.	No similar provision.	(h) Applicants for funding are to work with the Department of Commerce and other relevant Federal agencies to increase small business access to available export market information systems.
7(l). SBDCs/SBEACs continued. (sec. 3907(c) of Senate amendment)	The Senate amendment adds a new subsection 24(j) to the Small Business Act.	No similar provision.	(i) In States where there are no applications for a SBEAC, SBA is required to establish mechanisms through its regional and local offices to fulfill the purposes for which available funds are meant.
7(m). SBDCs/SBEACs continued. (sec. 1306(b)(6) of House bill; sec. 3907(c) of Senate amendment)	The House bill amends section 21 of the Small Business Act. The Senate amendment adds new subsections 24(k) and (l) to the Small Business Act.	(9) SBDCs are to (a) work closely with other SBA offices, State and local agencies and the local	(j) SBA is required to develop an information sharing system to (1) enable the SBEACs and relevant organizations to exchange information on

Item	Present Law	House Bill	Senate Amendment
		small business community, and (b) establish an information sharing network between each other. The latter is the responsibility of the Deputy Associate Administrator of the SBDC program.	their programs, and (2) provide information central to technology transfer. SBA must report to Congress on the implemenation of such an information sharing system.
7(n). SBDCs/SBEACs continued. (sec. 1306(b)(7) of House bill)	The House bill amends section 21 of the Small Business Act.	(10) SBDCs, where appropriate, are to work with relevant State agencies to develop comprehensive export strategies within the State and explore cofunding and costaffing opportunties.	No similar provision.
8(a). Capital Formation. (sec. 1307(a) of House bill; sec. 3908 of Senate amendment)	Both the House bill and Senate amendment amend section 7(a) of the Small Business Act (15 U.S.C. 636(a)) which provides SBA with the authority to provide loans and loan guarantees to small businesses. The Senate amendment also amends section 502(2) of the Small Business Investment Act of 1958 (15 U.S.C. 696(2)).	(1) Increases the ceiling on loan guarantee amounts from $500,000 to $1 million for loans made to small businesses for the purchase of plant and equipment to be used in the production of goods and services involved in international trade. SBA can guarantee such a loan if it is secured by a first lien position and the lender agrees to sell the loan in the secondary market for such loans within 180 days.	(1) Increases the limit of section 7(a)(3) loans from $500,000 to $750,000. Also, increases the limit of section 502(2) loans from $500,000 to $750,000. Allows loans from both loan programs to be made to a single applicant.

Item	Present Law	House Bill	Senate Amendment
8(b). Capital Formation continued. (sec. 1307(a) of the House bill)	The House bill adds a new paragraph (17) to section 7(a) of the Small Business Act.	(2) SBA is required to authorize lending institutions, other than banks, to make loans to small businesses for the production of export goods.	No similar provision.
8(c). Capital Formation continued. (sec. 1307(b) of the House bill)	The House bill does not amend existing law.	(3) SBA is required to report to Congress within six months of the date of enactment on the viability of creating cooperative Federal-State guarantee programs.	No similar provision.
9. Small Business Innovation Research. (sec. 1308 of House bill; sec. 3909 of Senate amendment)	The House bill does not amend existing law. The Senate amendment adds a new paragraph (k) to section 9 of the Small Business Act.	(1) Requires SBA to report to Congress within six months of the date of enactment on the advisability of amending the Small Business Innovation Research (SBIR) program to: (a) increase each agency's share of research and development expeditures 0.25 percent per year until 3 percent is reached and targeting some portion of those funds at products with commercialization or export potential; (b) make the program permanent; (c) allocate a share of each agency's SBIR fund for administrative purposes; (d) determine annually agency compliance with the program and ensure	(1) Same. (a) Same, except uses the term "a goal of" before "3 percent". (b) Same. (c) Same. (d) Same. (e) Deletes the concept of pooling solicitations and requires, within the report, an assessment of directly including agencies with R&D budgets between $20,000,000 and $100,000,000 under the SBIR program.

Item	Present Law	House Bill	Senate Amendment
		that SBIR funding is not accompanied by parallel reductions in other small business programs; and (e) create pooled solicitations of R&D projects of agencies with R&D budgets of $20,000,000 to $100,000,000 so that they are included under the SBIR program.	
10. Globalization of Production. (sec. 1309 of House bill)	The House bill does not amend current law.	(1) Requires the SBA to submit a written report to Congress within one year form the date of enactment on: (a) the effect of increased outsourcing and shifts in production strategies on the U.S. subcontractor tier; (b) the impact of specific economic policies, including procurement, tax, and trade policies, that facilitate outsourcing and shifts in production arrangements; and (c) recommendations on policy changes that would improve the competitive position of small U.S. subcontractors.	No similar provisions.
11. National Conference on Small Business Exports. (sec. 1310 of House bill; sec. 3910 of Senate bill)	The House bill does not amend current law. The Senate amendment amends section 22 of the Small Business Act which creates an Office of International Trade within the SBA.	(1) Requires SBA to conduct a national conference in 1988 in order to develop recommendations designed to stimulate exports from small companies. (a) The	(1) Same except the conference is to be held within one year from the date of enactment. (a) Deleted. (b) Same. (c)

Item	Present Law	House Bill	Senate Amendment
		Speaker of the House (in consultation with the minority leader) and the majority leader in the Senate (in consultation with the minority leader) each appoint 15 percent of the delegates to the conference. (b) The Conference is to bring together experts in relevant fields. (c) The Conference is to make recommendations on the utility of an International Summit on Small Business and Trade that would: (I) help develop a consensus on international and national policy changes that would build a international small business sector capable of long-term growth; (II) help establish linkages between small business owners from various countries; (III) enable U.S. small businesses learn how to organize themselves for exporting; (IV) permit others to learn how U.S. small business operates in the U.S.; (V) provide participants with an understanding of how international trade policy is developed; and (VI) foster greater consideration of small business concerns in the GATT.	Same. (I) Deleted. (II) Same. (III) Changed to "learn how to identify and take advantage of exporting opportunties". Objectives (IV),(V),and (VI) deleted.

Item	Present Law	House Bill	Senate Amendment
12. Trade Negotiations. (sec. 3911 of Senate amendment)	The Senate amendment amends section 22 of the Small Business Act which creates an Office of International Trade within SBA.	No similar provisions.	(1) Establishes the sense of Congress that small business has not be adequately represented in trade policy formulation and trade negotiations. Suggests that the Administrator of SBA be appointed as a member of the Trade Policy Committee and that the USTR consult with SBA in trade policy formulation and negotiations. (2) Establishes the sense of Congress that the USTR should appoint a special trade assistant for small business.
13. Promulgation of Regulations. (sec. 1311 of House bill; sec. 3912 of Senate amendment		Within six months from the date of enactment, SBA is required to promulgate final regulations to implement the provisions of this title.	Same.
14. Date of Enactment		October 1, 1987.	Not stated under Title XXXIX.
15. Small Business Trade Remedy Assistance. (sec. 186 of House bill; sec. 3701 of Senate amendment)	A Trade Remedy Assistance Office is established within the ITC to provide full information to the public, upon request, about remedies and benefits available under	Establishes the Office as a separate office within the ITC. Adds requirements that the Office provide, to the extent feasible, (1) assistance and advice to	Establishes an Office of Small Business Trade Remedy Assistance in the Department of Commerce, to be administered by a Director appointed by the President with Senate advice and consent, to

Item	Present Law	House Bill	Senate Amendment
	any of the trade laws and the petition and application procedures and filing dates for obtaining them. Administering agencies must provide technical assistance to eligible small businesses to enable them to prepare and file the petitions and applications.	interested parties upon request concerning remedies, benefits, and procedures under the trade laws; and (2), in coordination with the administering agencies, technical and legal assistance and advice to enable eligible small businesses to prepare and file petitions and to seek remedies and benefits under the trade laws, including any administrative reviews and appeals.	carry out the same functions transferred from the ITC Trade Remedy Assistance Office under present law. The Director shall also establish and maintain a system for paying reasonable expenses incurred by an eligble small business in connection with any administrative proceeding under any trade law if he determines the business is in need of assistance. The Director must prepare a written evaluation of any request of expenses incurred. Payments to a business are limited to one proceeding per fiscal year and may be made only after determinations are final and cannot be appealed. Payments cannot exceed 50 percent of expenses below $200,000, or 25 percent of the amount in excess of $200,000 up to $400,000 plus 50 percent of the amount below $200,000. Authorizes annual appropriations not to exceed $3,000,000 beginning fiscal year 1989. The Director must submit an annual report on the operation of the Office to the Ways and Means and Finance Committees, including any legislative recommendations.

SUBCONFERENCE #13
COUNCIL ON COMPETITIVENESS

TABLE OF CONTENTS

		Page
1.	Sections of House Bill and Senate Amendment included in Subconference #13	465
2.	Conferees of the House and Senate and Sections for which they are appointed	466
3.	Comparison of House and Senate Provisions with Present Law	467

SECTIONS OF HOUSE BILL AND SENATE AMENDMENT INCLUDED IN SUBCONFERENCE #13 -- COUNCIL ON COMPETITIVENESS

House bill

Title IV, Subtitle D (Secs. 461-471)

Senate amendment

Title XXXVIII, Subtitle A (Secs. 3801-3809)

CONFEREES OF THE HOUSE AND SENATE AND SECTIONS FOR WHICH THEY ARE APPOINTED

Sections	House Conferees	Senate Conferees
Sections 461-471 of House bill; Sections 3801-3809 of Senate amendment	**Banking, Finance, and Urban Affairs** (6-4)	**Governmental Affairs** (3-2)
	St Germain — Wylie	Glenn — Roth
	Fauntroy — Leach (IA)	Chiles — Stevens
	Garcia — McMillan (NC)	Ringaman
	Oakar — Roth	
	LaFalce	
	Vento	
	Foreign Affairs (3-2)	
	Bonker — Roth	
	Mica — Bereuter	
	Berman	
	Energy and Commerce (3-2)	
	Dingell — Lent	
	Florio — Dannemeyer	
	Markey	
	Science, Space, and Technology (3-2)	
	Roe — Lujan	
	Walgren — Boehlert	
	Brown (CA)	
	Government Operations (3-2)	
	Brooks — Horton	
	Conyers — Walker	
	Neal	

COMPARISON OF HOUSE AND SENATE PROVISIONS WITH PRESENT LAW

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
1. Short title. (sec. 461 of House Bill)	No provision.	Council on Industrial Competitiveness Act.	No provision.
2. Findings. (sec. 462 of House Bill)	No provision.	Lays out general finding that America's competitiveness is threatened and the purpose of the Council, which is to create an institutional forum where business, government, labor, academia and public interest groups can identify competitive problems, develop long-term strategies and create consensus in support of these strategies.	No provision.
3. Establishment. (sec. 463 of House Bill and sec. 3801 of Senate Amendment)	No provision.	Established in the Executive Office of the President as an advisory council, no provision on duration; called "Council on Industrial Competitiveness".	President shall establish within 90 days of enactment an advisory committee under provisions of the Federal Advisory Committee Act, except the council is sunsetted after 4 years rather than the 2 years called for in the Act; called "Council on Economic Competitiveness".

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
4. Duties. (sec. 464 of House Bill and sec. 3802 of Senate Amendment)	No provision.	Develop and promote, in cooperation with appropriate Federal agencies and other organizations, policies which enhance the productivity and international competitiveness of U.S. industries	Develop and promote a national vision and specific policies which enhance international competitiveness and productivity.
		At the request of the President, review private sector requests for governmental assistance or relief and to recommend actions which will help ensure that the private sector applicant will become internationally competitive in the future.	Comment upon private sector requests for relief as to the likelihood of future competitiveness and whether any adjustment commitments should be entered into with shareholders, creditors, etc.
		The Council shall work with Federal agencies and other organizations to identify current foreign markets for U.S. goods and services, to identify future market opportunities and trends and develop strategies to penetrate those markets.	No similar provision
		Collect and analyze domestic and international data concerning current and future market opportunities.	Collect, analyze and provide information on current and future U.S. economic competitiveness.
		Prepare and publish reports containing recommendations of the Council regarding trade and competitiveness opportunities.	Similar to House provision.
		Annual report to the President and Congress regarding the state of the national economy; the status of major sectors of the naticnal economy; and the effect of existing government policies on agriculture, business and industry.	Annual report to Congress on ability of the U.S. to be internationally competitive.

77-750 0 - 87 - 40

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
		Create forums where national leaders with experience and background in business, labor, academia, public interest and government will identify national economic problems, develop recommendations to address the problems, and create a broad consensus in support of such recommendations.	Similar provision.
		No provision.	Establish, when appropriate, subcouncils of public and private leaders to develop long-term forecasts.
		No provision.	Review and evaluate specific policy recommendations developed by the Subcouncils to be sent to the appropriate Federal agencies.
		No provision.	Monitor the changing nature of research, science, and technology in the U.S., as well as the changing nature of the U.S. industrial economy and its capacity.
		No provision.	Serve as a clearinghouse that identifies and monitors Federal and private sector resources and state and local programs.
		Provide policy recommendations and guidance to the Congress, the President, the Council of Economic Advisors and Federal Departments and agencies regarding agriculture, business, and industrial strategies.	No provision.

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
		Evaluate existing government policies and business practices in terms of the competitive impact of such policies and practices.	Evaluate and comment on existing and future Federal policies and regulations and the budget of the U.S. Government with respect to their impact on competitiveness.
5. Membership. (sec. 465 of House Bill and sec. 3803 of Senate Amendment)	No provision.	16 members	9 members.
		Appointed by President after consideration of recommendations from the Speaker of the House and the Majority Leader of the Senate.	3 appointed by President, 3 by Majority leader and Minority leader acting jointly, 3 by the Speaker of the House.
		4 members selected from agriculture, business or industry with at least 1 from the small business community; 4 from academia; and 4 from among the heads of Federal Departments and agencies and representatives of state or local governments.	Members are to be selected from backgrounds in small business, advanced technologies, labor, academia and public interest organizations, and representatives of state and local governments.
		No provision.	Not more than 5 can be of the same political party.
		All the initial members shall be appointed within 60 days from date of enactment.	90 days from date of enactment.
		Vacancies filled in manner in which original appointment was made.	Same as House provision.
		Appointee shall serve for the remainder of time for a position vacated before the expiration of the term.	
		A member may serve after the expiration of a term until a successor takes office.	

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
		Members shall be removed for malfeasance in office.	Same as House provision.
		Terms shall correspond to the term of the President who appointed the member.	No provision.
		No member shall serve more than 2 terms consecutively.	No provision.
		Nongovernmental members shall be compensated at a rate equivalent to Level II of the Executive Schedule and actual travel expenses and per diem when away from usual place of residence.	Same as House provision.
		Governmental members shall serve without compensation but shall receive actual travel expenses and per diem.	Same as House provision.
		9 members constitute a quorum, except that a lesser number may hold hearings if approved by a two-thirds vote of the entire Council.	5 members constitute a quorum except that a lesser number may hold hearings if approved by a majority of the members.
		The Council shall not commence its duties until all nongovernmental members have been appointed.	No provision.
		Chair elected from nongovernmental member by a two-thirds vote of entire Council.	Chair is elected on a majority vote and shall serve full time.
		Meetings are subject to the call of the Chair but shall not be less than 6 times during each calendar year.	Similar to House provision, but there is no minimum on meetings.

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
		No provision.	Alternate members may be designated and may vote on actions except for calling meetings which require majority vote of entire membership.
		Approval of policy by two-thirds majority of the entire membership of the Council.	Approval of policy by a majority. If consensus cannot be reached, the Council shall report to the President and the Congress.
		An individual may not serve if at any time within the 1-year period prior to the appointment, the individual has acted as an agent or attorney for, or performed any other professional service for or on behalf of any foreign country, any agency or instrumentality of the government of a foreign country or any foreign political party.	A member may not serve as an agent or attorney for or perform any other professional service on behalf of or for the government of any foreign country, any agency or instrumentality of a foreign government or any foreign political party.
		If a member acts on behalf of a foreign interest while serving, that member shall cease to be a member.	
		No member or staff shall act for or on behalf of a foreign interest for a period extending 1 year after date of service to the Council. Violation will result in a civil penalty not to exceed $250,000 or the amount of compensation received for the prohibited conduct.	

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
6. Director, staff, consultants, and detailees. (sec. 466 of House Bill and sec. 3803 (1) and (m) and sec. 3804 of Senate Amendment	No provision.	Full time Executive Director as principal administrative officer, paid at ES Level V. Executive director may appoint staff within limitations of Council's appropriations in accordance with civil service laws. Council may procure services of consultants. Council may request agencies to detail personnel on a reimbursable basis.	Same as House Bill, except requires Council to consult with President and Congress before appointing Executive Director.
7. Powers. (sec. 467 of House Bill and sec. 3805 of Senate Amendment)	No provision.	Council may hold hearings, authorize agents, obtain information from Federal departments and agencies, use U.S. mails, and request administrative support from GSA on a reimbursable basis.	Similar to House Bill, except Council may also administer oaths, may accept gifts and may not obtain classified information.
8. Consultation with President and Congress. (sec. 3805(d) of Senate Amendment)	No provision.	No provision.	Council shall consult with the President or Congress at their request. Council shall prepare a plan of work, including description of how Council will coordinate with existing advisory committees, for submission to the President and Congress. President may within 30 days of receipt, make recommendations as to modification. Council "shall consider" President's recommendations.

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
9. Subcouncils. (sec. 3805(h) of Senate Amendment)	No provision.	No provision.	Council may set up subcouncils for each sector identified in the annual report as of national significance because of employment, capital resources, impact on defense, or as supplier to or customer of other U.S. industries, and which would benefit from such a subcouncil; Council may set up subcouncils for any other purpose. Subcouncils shall include representatives from business, labor, government and any other persons the Council determines are appropriate. Subcouncils shall assess problems and opportunities for the industry in question and make recommendations. Discussion of the subcouncils are exempt from Federal and State anti-trust laws, and from the Federal Advisory Committee Act. A subcouncil shall terminate 30 days after making its recommendation unless the Council specifically requests the subcouncil to continue,

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
10. Applicability of Federal Advisory Committee Act. (sec. 3801 and 3805(i) of Senate Amendment)	Subsections (e) and (f) of sec. 10 of Federal Advisory Committee Act requires an officer or employee of the Federal government to chair or attend every meeting, that this officer can adjourn the meeting when he feels it is no longer in the public interest, and that the committee can not meet without the approval of this officer Sec. 14 sunsets all advisory committees after two years, unless renewed	No provision.	Exempts Council from subsections (e) and (f) of sec. 10 and from sec. 14 with a 4 year sunset clause.
11. Other duties. (sec. 471 of House Bill and sec. 3806 of Senate Amendment)	No provision.	Council shall evaluate system of appointing trade negotiators, including identifying government positions involving trade negotiations, tenure and salary of such positions, duration of various types and levels of negotiators, positions, professional advancement opportunities for trade negotiators, and recommendations on minimum tenure of service, on tying promotion and salary to length of service, on establishing a professional trade corps and on upgrading personnel in trade-related positions. Council shall report findings and recommendations within 180 days of initial appointment.	Council shall examine all unclassified international agreements on trade, science, and technology and monitor the effects of international trade and foreign science and technology on U.S. industries.

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
12. Reports. (sec. 468 of House Bill and sec. 3807 of Senate Amendment)	No provision.	Within 180 days after initial appointment of members, Council shall report recommendations for changes in Federal policy to implement trade and competitiveness strategies. Annual report to the President and Congress on major agricultural, business and industrial development priorities, policies needed to meet these priorities and a summary of existing policies affecting industry. Report shall contain any findings and conclusions made during the past fiscal year and recommendations for such legislation and administrative actions as the Council considers appropriate.	Within 1 year of enactment, the Council shall submit a report to the President and Congress on recommendations for changes in competitiveness policies, including Executive branch reorganization. Annual report to Congress and the President shall contain goals to achieve a more competitive economy, policies needed to meet such goals, a summary of existing policies affecting competitiveness, and actual or forseeable economic and technological developments affecting competitive position of U.S. The report shall identify actual or foreseen developments which create a competitive challenge to or dislocation of U.S. industry, present an opportunity or create a risk that U.S. firms will be unable to compete -- including an identification of the specific sectors affected. Report shall contain any findings and conclusions made during the past fiscal year, and recommendations for such legislation and administrative actions as the Council considers appropriate. Each report submitted to Congress shall be referred to the appropriate committee or committees and the Council shall consult with such committees. These committees shall issue reports setting forth their views and recommendations on the Council's report.

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
13. Authorization of appropriations. (sec. 469 of House Bill and sec. 3808 of Senate Amendment)	No provision.	$5 million for FY88.	$5 million for each of FY88 and FY89.
14. Definitions. (sec. 470 of House Bill and sec. 3809 of Senate Amendment)	No provision.	Defines "Council", "Members", and "United States".	Same as House Bill.

SUBCONFERENCE #14
OCEAN AND AIR TRANSPORTATION

TABLE OF CONTENTS

		Page
1.	Sections of House Bill and Senate Amendment included in Subconference #14	479
2.	Conferees of the House and Senate and Sections for which they are appointed	480
3.	Comparison of House and Senate Provisions with Present Law	481
	A. Ocean Transportation -- Unfair Practices	481
	B. International Air Transportation	484

SECTIONS OF HOUSE BILL AND SENATE AMENDMENT INCLUDED IN SUBCONFERENCE #14 -- OCEAN AND AIR TRANSPORTATION

House bill

Title XI (Secs. 1101-1110)
Title XII (Secs. 1201-1203)

Senate amendment

Title XLVI (Secs. 4601-4602)
Sec. 4502

CONFEREES OF THE HOUSE AND SENATE AND SECTIONS FOR WHICH THEY ARE APPOINTED

Sections	House Conferees		Senate Conferees	
Title XI (Sections 1101-1107, 1110) of House bill; Title XLVI (Sections 4601, 4602) of Senate amendment	Merchant Marine and Fisheries (6-4)		Commerce, Science, and Transportation (4-3)	
	Jones (NC)	Davis (MI)	Hollings	Danforth
	Biaggi	Lent	Inouye	Packwood
	Anderson	Young (AK)	Exon	Pressler
	Studds	Shumway	Riegle	
	Bonker			
	Hughes			
Title XII (Sections 1201-1203) of House bill; Section 4502 of Senate amendment	Public Works and Transportation (6-4)		Commerce, Science, and Transportation (4-3)	
	Mineta	Hammerschmidt	Hollings	Danforth
	Oberstar	Stangeland	Inouye	Packwood
	Nowak	Gingrich	Exon	Pressler
	Rahall	Clinger	Riegle	
	Applegate			
	deLugo			

77-750 O - 87 - 41

COMPARISON OF HOUSE AND SENATE PROVISIONS WITH PRESENT LAW

OCEAN TRANSPORTATION -- UNFAIR PRACTICES

Item	Present Law	House Bill	Senate Amendment
1. Short Title (sec. 1101 of House bill; sec. 4601 of Senate amendment)	Section 301 of the Trade Act of 1974 authorizes the President to take action against unfair trade practices generally. Section 19(1)(b) of the Merchant Marine Act, 1920 gives the Federal Maritime Commission power to address unfavorable conditions in the foreign trade.	Ocean Transportation Practices Act of 1987. (Free-standing).	Foreign Shipping Practices Act of 1987. (Amends the Shipping Act of 1984.)
2. Definitions (sec. 1102 of House bill; sec. 4602 of Senate amendment)		General definitions.	Similar to House bill except that it does not define "goods" or "class of goods".

Item	Present Law	House Bill	Senate Amendment
3. Investigations (sec. 1103 of House bill; sec. 4602 of Senate amendment)	The FMC has the authority to conduct investigations under section 19(1)(b) of the Merchant Marine Act, 1920.	Requires an investigation by FMC on a complaint by an operator or employee of a U.S. vessel, or when at least 25% of a class of goods are carried by a foreign liner in the commerce between the U.S. and that foreign country. Allows the FMC to initiate an investigation. Provides for a preliminary review which must proceed to an adjudicatory proceeding if it is reasonably believed an unfair practice will be found. An unfair practice shall be found when the acts, policies, or practices of a foreign nation unreasonably impair U.S. vessel access to cargo, taking into account the market share of U.S. vessels, whether restraint of trade or the denial of fair and equitable market opportunities or workers' rights exists. Foreign entity must show an unfair practice does not exist in certain cases.	Requires the FMC to investigate whether any foreign laws or practices create conditions for U.S. common carriers in U.S. ocean trades that are not imposed upon foreign carriers by U.S. laws or practices. Investigations may be initiated on the FMC's own initiative or upon the petition of any person. The FMC is given specific authority to require reports or other information. Investigations must be completed in 120 days, plus an additional 90 days if the FMC is unable to obtain sufficient information. Furthermore, FMC shall include in its annual report, information on conditions under investigation in the countries representing our twenty largest trading partners, any action being taken to offset such conditions and any recommendations for legislation to offset such conditions.

Item	Present Law	House Bill	Senate Amendment
4. Negotiations (sec. 1104 of House bill)		Requires the removal of unfair practice or a reduction of cargo carriage by the foreign vessel(s) equal to the benefit derived from the unfair practice.	No similar provision. FMC action is taken without negotiation.
5. Penalties (sec. 1105 of House bill; sec. 4602 (e) of Senate amendment)		Provides a civil penalty or identical limitations on foreign vessel operations if negotiations are negotiations are not completed.	Upon a finding of the conditions specified, the FMC shall take whatever action it deems appropriate against any foreign carrier who contributes to, or whose government contributes to such conditions. These actions may include limitation of sailings, suspension of tariffs or other rights. FMC may consult with or make recommendations to other government agencies prior to taking action. The President may disapprove an FMC order for national defense or foreign policy reasons. Upon request of the FMC, offending foreign vessels shall be denied clearance by the collector of customs or be denied entry to U.S. ports by the Coast Guard.
6. Authorization (sec. 1106 of House bill)		Authorizes $5 million for implementation, offset by penalty receipts.	No additional funds are authorized for the FMC to implement this system.
7. Subtitle B -- Mobile Trade Fairs (sec. 1110 of House bill)		Reauthorizes sec. 212(B) MMA 1936; $500,000/year for six years.	No similar provision.

Item	Present Law	House Bill	Senate Amendment
8. Deadline for Secretary of Transportation to take action on a complaint by a U.S. air carrier against a foreign government or air carrier (sec. 1201 of House bill; sec. 4502 (a) of Senate amendment)	180 days	90 days	Identical to House Bill
9. Extension of deadline for Secretary of Transportation to take action on a complaint (sec. 1201 of House bill; sec. 4502 (b) of Senate amendment)	No Provision	The 90 day deadline can be extended up to another 90 days if: 1) it appears negotiations will produce an imminent, satisfactory resolution; 2) no U.S. air carrier has been subject to economic injury; 3) the public interest requires additional time before taking action.	Identical to House Bill
10. Solicitation of views by Secretary of Transportation before taking action on a complaint (sec. 1202 of House bill; sec. 4502 (c) of Senate amendment)	The Secretary of Transportation is required to solicit the views of the Department of State	The Secretary of Transportation is required to solicit views of the Department of Commerce and the United States Trade Representative in addition to the Department of State.	Identical to House Bill
11. Reports to Congressional Committees on actions taken on a complaint (sec. 1203 of House bill; sec. 4502 (d) of Senate amendment)	No Provision	The Secretary of Transportation is required to report within 30 days of taking action on a complaint, on what actions have been taken to the House Committee on Public Works and Transportation and the Senate Committee on Commerce, Science and Transportation.	Slightly different language, only in that the Senate amendment specifically provides that the Secretary does not have to report if a complaint is withdrawn before the 30th day. (Under House bill no report would be required in these circumstances.)

SUBCONFERENCE #15
SAFE FOOD IMPORTS

TABLE OF CONTENTS

		Page
1.	Sections of House Bill and Senate Amendment included in Subconference #15	486
2.	Conferees of the House and Senate and Sections for which they are appointed	487
3.	Comparison of House and Senate Provisions with Present Law	488

SECTIONS OF HOUSE BILL AND SENATE AMENDMENT INCLUDED IN SUBCONFERENCE #15 -- SAFE FOOD IMPORTS

House bill

No provisions

Senate amendment

Secs. 2185-2188

CONFEREES OF THE HOUSE AND SENATE AND SECTIONS FOR WHICH THEY ARE APPOINTED

Sections	House Conferees		Senate Conferees	
Sections 2185-2188 of Senate amendment	Energy and Commerce (6-4)		Agriculture (3-2)	
	Dingell	Lent	Leahy	Lugar
	Florio	Moorhead	Melcher	Cochran
	Markey	Dannemeyer	Pryor	
	Sharp	Coats		
	Swift			
	Bryant			
Section 2188 of Senate amendment	Agriculture (6-4)			
	de la Garza	Roberts		
	Brown (CA)	Morrison (WA)		
	Panetta	Gunderson		
	Glickman	Grandy		
	Stenholm			
	Volkmer			

COMPARISON OF HOUSE AND SENATE PROVISIONS WITH PRESENT LAW

Item	Present Law	House Bill	Senate Amendment
Safe Food Imports. [S 2185-88]	The Food and Drug Administration (FDA) has primary responsibility of enforcing the laws and regulations that establish the levels of pesticide residues that are allowed to be present on imported raw agricultural commodities.	No comparable provision.	Secretary of Health and Human Services is required to prepare a plan for the distribution of FDA resources for sampling imported raw agricultural commodities to ensure compliance with US laws governing pesticide residues on these commodities. Secretary of HHS must ensure the timely distribution of data and information relating to violations of US pesticide laws among all of the FDA districts. Secretary of HHS must submit to Congress a monitoring summary of all sampling activities taken with respect to imported produce. Commodities found to contain illegal pesticide residues shall be monitored during the successive growing season. Secretary of HHS must submit to Congress an annual report on all enforcement actions taken with respect to tainted imported food commodities, along with the sampling plan and the monitoring summary. Report will include a detailed description of the violations found and the FDA actions taken in response to such violations. FDA must make recommendations to Congress on ways to improve its overall enforcement procedures. (Secs. 2185-88)

SUBCONFERENCE #16
FEDERAL BUDGET DEFICIT

TABLE OF CONTENTS

		Page
1.	Sections of House Bill and Senate Amendment included in Subconference #16	490
2.	Conferees of the House and Senate and Sections for which they are appointed	491
3.	Comparison of House and Senate Provisions with Present Law	492
	A. Federal Budget Competitveness Impact Statements	492
	B. Reducing the Trade Deficit by Eliminating the Federal Budget Deficit . . .	494

SECTIONS OF HOUSE BILL AND SENATE AMENDMENT INCLUDED IN SUBCONFERENCE #16 -- FEDERAL BUDGET DEFICIT

House bill

Title XVI (Secs. 1601-1603)

Senate amendment

Title XLVIII (Secs. 4801-4803)

CONFEREES OF THE HOUSE AND SENATE AND SECTIONS FOR WHICH THEY ARE APPOINTED

Sections	House Conferees		Senate Conferees	
Title XVI (Sections 1601-1603) of House bill	Government Operations (5-3)		Governmental Affairs (3-2)	
	Brooks	Horton	Glenn	Roth
	Conyers	Walker	Chiles	Stevens
	Neal	Clinger	Bingaman	
	Frank			
	Wise			
	Rules (5-2)			
	Pepper	Lott		
	Moakley	Taylor		
	Derrick			
	Hall (OH)			
	Wheat			
Title XLVIII (Sections 4801-4803) of Senate amendment	Government Operations (5-3)		Finance (5-4)	
	Brooks	Horton	Bentsen	Packwood
	Conyers	Walker	Matsunaga	Chafee
	Neal	Clinger	Moynihan	Roth
	Frank		Baucus	Danforth
	Wise		Boren	
	Judiciary (3-2)			
	Rodino	Fish		
	Edwards (CA)	Moorhead		
	Hughes			

COMPARISON OF HOUSE AND SENATE PROVISIONS WITH PRESENT LAW

A. FEDERAL BUDGET COMPETITIVENESS IMPACT STATEMENTS (Title XVI of House Bill)

Item	Present Law	House Bill	Senate Amendment
1. President's Annual Budget Submission (Sec. 1601 of House bill)	There is no statute currently requiring the preparation of budgetary impact statements regarding the international competitiveness of U.S. business and the U.S. balance of payments position.	Requires OMB, in consultation with the Chairman of the Council of Economic Advisers, to prepare an analysis of the budget's impact on the international competitiveness of U.S. business and the U.S. balance of payments position for inclusion in the President's budget submitted to Congress each year. The impact statement shall be based upon the best information available at the time and shall cover the fiscal year for which the budget is submitted. It shall include the following projections: a) amount of borrowing by government in private credit markets; b) net domestic savings; c) net private domestic investment; d) merchandize trade and current accounts; e) net increase or decrease in foreign indebtedness; f) estimated direction and extent of influence of government's borrowing on interest and exchange rates.	No provision.

Item	Present Law	House Bill	Senate Amendment
2. Annual Concurrent Resolution on the Budget (Sec. 1602 of House bill)		Requires the Budget Committees of both Houses of Congress to include in the report on the concurrent budget resolution for each year an analysis, prepared after consultation with the Director of the Congressional Budget Office, of the impact of the budget resolution on the international competitiveness of U.S. business and the U.S. balance of payments position. The impact statement shall be based upon the best information available at the time and shall cover the same fiscal year covered by the concurrent resolution. It shall include the following projections: a) amount of borrowing by government in private credit markets; b) net domestic savings; c) net private domestic investment; d) merchandize trade and current accounts; e) net increase or decrease in foreign indebtedness; f) estimated direction and extent of influence of government's borrowing on interest and exchange rates.	No provision.
3. Effective Date (Sec. 1603 of House bill)		The impact statements will be required only for fiscal years 1989, 1990, 1991, and 1992.	No provision.

B. REDUCING THE TRADE DEFICIT BY ELIMINATING THE FEDERAL BUDGET DEFICIT (Title XLVIII of Senate Bill)

Item	Present Law	House Bill	Senate Amendment
1. Short Title (Sec. 4801 of Senate bill)	Congress has never passed a constitutional amendment requiring the Federal budget to be balanced. There is a statutory requirement, however, which states: "Congress reaffirms its commitment that budget outlays of the United States Government for a fiscal year may be not more than the receipts of the government for that year." 31 U.S.C. 1103 This statute may be superceded by subsequent enactments. There is no statute currently on the book which requires the President to submit a balanced budget to Congress.	No provision.	Trade Deficit and Budget Deficit Reduction Act of 1987.
2. Findings (Sec. 4802 of Senate bill)		No provision.	General findings about the Federal budget deficit.
3. Required role on Balanced Budget Amendment (Sec. 4803 of Senate bill)		No provision.	Requires Congress to complete action no later than Oct. 1, 1987, on a constitutional amendment requiring a balanced Federal budget, and requires the President to submit a balanced budget to Congress no later than Sept. 15, 1987.

SUBCONFERENCE #17
TRADE DATA AND STUDIES; SEMATECH

TABLE OF CONTENTS

		Page
1.	Sections of House Bill and Senate Amendment included in Subconference #17	496
2.	Conferees of the House and Senate and Sections for which they are appointed	497
3.	Comparison of House and Senate Provisions with Present Law	502

SECTIONS OF HOUSE BILL AND SENATE AMENDMENT INCLUDED IN SUBCONFERENCE #17 -- TRADE DATA AND STUDIES

House bill

Secs. 901, 902 and 911

Senate amendment

Title XXXVIII, Subtitles B (Secs. 3811-3824), C (Secs. 3851-3854) and D (Secs. 3861-3867)

77-750 O - 87 - 43

CONFEREES OF THE HOUSE AND SENATE AND SECTIONS FOR WHICH THEY ARE APPOINTED

Sections	House Conferees	Senate Conferees
Section 901 of House bill	Energy and Commerce (3-2) Dingell, Florio, Markey; Lent, Dannemeyer Ways and Means (3-2) Rostenkowski, Gibbons, Downey (NY); Archer, Schulze Foreign Affairs (3-2) Bonker, Mica, Berman; Roth, Bereuter	Governmental Affairs (3-2) Glenn, Chiles, Bingaman; Roth, Stevens
Section 902 of House bill	Energy and Commerce (3-2) Dingell, Florio, Markey; Lent, Dannemeyer Ways and Means (3-2) Rostenkowski, Gibbons, Downey (NY); Archer, Schulze Foreign Affairs (3-2) Bonker, Mica, Berman; Roth, Bereuter	Governmental Affairs (3-2) Glenn, Chiles, Bingaman; Roth, Stevens Banking, Housing, and Urban Affairs (3-2) Proxmire, Sarbanes, Dixon; Garn, Heinz

Sections	House Conferees		Senate Conferees	
	Banking, Finance, and Urban Affairs (3-2)			
	Oakar	McMillan (NC)		
	LaFalce	Roth		
	Vento			
Section 911 of House bill	Energy and Commerce (6-4)		Governmental Affairs (3-2)	
	Dingell	Lent	Glenn	Roth
	Florio	Rinaldo	Chiles	Stevens
	Markey	Dannemeyer	Ringaman	
	Sharp	Ritter		
	Swift			
	Bryant			
	Banking, Finance, and Urban Affairs (6-4)			
	St Germain	Wylie		
	Oakar	Leach (IA)		
	LaFalce	Bereuter		
	Vento	McMillan (NC)		
	Schumer			
	Morrison (CT)			
	Science, Space, and Technology (6-4)			
	Roe	Lujan		
	Walgren	Boehlert		
	MacKay	Ritter		
	Valentine	Packard		
	Brown (CA)			
	Scheuer			

Sections	House Conferees		Senate Conferees	
Sections 3811-3824 of Senate amendment	Energy and Commerce (3-2)		Governmental Affairs (3-2)	
	Dingell	Lent	Glenn	Roth
	Florio	Dannemeyer	Chiles	Stevens
	Markey		Ringaman	
	Ways and Means (3-2)			
	Rostenkowski	Archer		
	Gibbons	Schulze		
	Downey (NY)			
	Foreign Affairs (3-2)			
	Bonker	Roth		
	Mica	Bereuter		
	Berman			
	Banking, Finance, and Urban Affairs (3-2)			
	Oakar	McMillan (NC)		
	LaFalce	Roth		
	Vento			
Sections 3851-3853 of Senate amendment	Energy and Commerce (6-4)		Governmental Affairs (3-2)	
	Dingell	Lent	Glenn	Roth
	Florio	Moorhead	Chiles	Stevens
	Markey	Rinaldo	Ringaman	
	Sharp	Dannemeyer		
	Swift			
	Bryant.			

Sections	House Conferees	Senate Conferees
Section 3851 of Senate amendment	Foreign Affairs (6-4) Fascell, Broomfield Bonker, Roth Mica, Bereuter Berman, Miller (WA) Levine Bilbray	
Sections 3852 and 3853 of Senate amendment	Science, Space, and Technology (6-4) Roe, Lujan Walgren, Morrison (WA) MacKay, Ritter Brown (CA), Morella Scheuer Lloyd	
Section 3854 of Senate amendment	Energy and Commerce (3-2) Dingell, Lent Florio, Rinaldo Markey Foreign Affairs (3-2) Bonker, Roth Mica, Bereuter Berman Banking, Finance, and Urban Affairs (3-2) St Germain, Wylie Oakar, McMillan (NC) Vento	Governmental Affairs (3-2) Glenn, Roth Chiles, Stevens Bingaman

Sections	House Conferees	Senate Conferees
Sections 3861-3867 of Senate amendment	Energy and Commerce (3-2) Dingell, Lent Florio, Ritter Markey Banking, Finance, and Urban Affairs (3-2) Oakar, McMillan (NC) LaFalce, Roth Vento Science, Space, and Technology (3-2) Roe, Lujan Walgren, Ritter Valentine Judiciary (3-2) Rodino, Fish Edwards (CA), Moorhead Hughes	Governmental Affairs (3-2) Glenn, Roth Chiles, Stevens Bingaman

COMPARISON OF HOUSE AND SENATE PROVISIONS WITH PRESENT LAW

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
1. Competitiveness Impact Statement (Section 901 of House Bill)	None.	Requires heads of each Federal department and agency to include in reports or comments on proposed legislation a detailed statement of the legislation's impact on the U.S. trade position and the ability of U.S. firms to compete in foreign or domestic markets.	No similar provision.
2. National Trade Data Bank (Section 902 of the House Bill; section 3811-3824 of Sen. Amendment)	None.	Provides for the establishment of a National Trade Data Bank in the Department of Commerce that would collect and disseminate information on trade conditions and competitiveness to other Federal agencies and to the public. Provision is made for the confidentiality of certain information and the nonduplication of information services being provided by Government and the public.	Establishes an interagency National Trade Data Committee, chaired by the Secretary of Commerce, to formulate a comprehensive economic and trade information policy and to oversee the National Trade Data Bank. Creates a National Trade Data Bank to be housed within the Department of Commerce similar to the House provision, except that the Data Bank consists of two data bases, one for policy making and one for export promotion.
3. Development of Semiconductor Manufacturing Technology (Section 911 of the House Bill and Sections 3861 through 3867 of Sen. Amendment)	None.	In order to preserve essential commerce, this section authorizes $100 million for fiscal years 1988, 1989, 1990, 1991 and 1992 to the Secretary of Commerce to make grants to a consortium of U.S. companies engaged in the manufacture of semiconductors in the U.S. These grants could not be for more than one half the cost of undertaking projects to stimulate the development of semiconductor manufacturing technology.	Pursuant to the finding that research and development in the area of semiconductor manufacturing is in the national economic and security interest of the United States, these sections establish the Interagency Coordinating Committee on Federal Participation in Sematech. The Committee is to be composed of the Secretaries of Defense (chairman), Commerce, and Energy, the Director of the National Science Foundation, and the Chairman of the Federal Lab Consortium for Technology Transfer.

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
		This section requires the Secretary to submit a plan, within 60 days after the date of enactment of this Act, to the Committee on Energy and Commerce of the House and the Committee on Commmerce, Science and Transportation of the Senate. The plan shall specify the consortium of U.S. semiconductor manufacturers that shall receive the grants, and how the consortium shall use these grants. This section further provides that no grants may be made under this section unless, subsequent to the date of enactment of this Act, a law authorizing such grants is enacted. This section also requires the Secretary of Commerce to report annually to the Congress on activities he undertakes under the authority of this subsection.	The sections further create a private sector advisory council to assist the Committee in preparation of its report and to advise it in the varied aspects of federal participation in the "Sematech" consortium project. The sections lay out the responsibilities of the Committee during federal involvement in Sematech. The federal share in the program is limited to 50 percent of the total cost of the consortium. Within 90 days of enactment, the Committee shall transmit to Congress a report concerning Federal involvement in Sematech. The report shall include proposals for the amount of federal funds to be obligated and expended, for the areas of research to be conducted by Sematech, for the forms and types of federal assistance to be offered to Sematech, for obtaining patents for and licenses of products developed by Sematech, and for facilitating the compliance of Sematech activities with antitrust laws. The report will also contain a description of the public purposes that will be achieved by the participation of the federal government in Sematech. To ensure proper expenditure of federal funds, the sections also empower the Committee to require Sematech to prepare annual reports of its activities under the section. Furthermore, the Committtee will establish appropriate procedures for biennial financial and compliance audits

ITEM	PRESENT LAW	HOUSE BILL	SENATE AMENDMENT
			by Sematech of federal contributions to Sematech. The sections authorize the Committee to expend $100 million for each of the years between 1988 and 1992.
4. United States' Barriers to United States' Exports (Sec. 3851 of Sen. Amendment)	No provision.	No provision.	Orders the Commerce Department to examine annually U.S. barriers to U.S. exports.
5. Resource Needs (Sec. 3852 of Sen. Amendment)	No provision.	No provision.	Authorizes the Department of Commerce to use input-output analysis to determine the resource needs for the entire U.S. economy, critical technologies, and emerging technologies. Report to Congress is due three years after date of enactment.
6. Manufacturing Base (Sec. 3853 of Sen. Amendment)	No provision.	No provision.	Empowers the Department of Commerce to undertake a one-year study of the dependence of various vital services and high technology industries on the manufacturing base.
7. Impact of Foreign Financial and Regulatory Systems (Sec. 3854 of Sen. Amendment)	No provision.	No provision.	Orders the Federal Reserve to examine annually the impact of foreign financial and regulatory systems on the ability of U.S. businesses to compete in domestic and foreign markets.